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NOTICE TO READERS: * indicates material not disseminated in electronic form.

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Pashko: Country 'Threatened by Civil War'

LD3001203591 Berlin ADN in German 1947 GMT 30 Jan 91

[Text] Berlin (ADN)—In the opinion of the chairman of the [Albanian] Democratic Party [PDSh], Gramoz Pashko, Albania is threatened by civil war. As he stated in an interview with the Berlin-based "DER MORGEN" (Thursday edition), the population is split into two camps; one favors a return to the past, while the other wants "to save themselves for the future."

"The slightest cause would have hellish consequences," he said, describing the situation. "After the first armed move no one could control events." For this reason his party is putting forward its policy of national peace not to lose the democratic achievements which have been so hard won.

Currently the communists' prospects in the election planned for the end of March are "better than ours because all the conditions are there for their campaign." The Communist Party [Albanian Worker's Party—PPSh] will, however, collapse no later than that. "We are no politicians, but our members belong to the leading group of the intelligensia and know much about economics, sociology and history," the party leader said. "For this reason we will be able to govern the country much better than our predecessors."

As Pashko went on to explain, the leadership of the PPSh has "changed its policies since the shock of Ceausescu's execution" and set out on "the path of reform." It is no longer concerned about its principles. Albania is in pratical terms being led by nobody, and because of this, anarchy reigns.

Police Harrassment of PDSh Members Reported

AU3001125991 Tirana RILINDJA DEMOKRATIKE in Albanian 9 Jan 91 p 1

[Unattributed report: "A Difficult Saturday"]

[Text]

Pogradec: Clashes Among Citizens Provoked

With the police's agreement, Arben Mece, member of the Initiating Commission [of the Democratic Party], organized a meeting of activists at the town's palace of culture. Before the meeting began, the building was surrounded by large police forces. The activists protested to their headquarters about this unnecessary demonstration of force by the police. Their headquarters informed the justice minister, but the siege in Pogradec was not lifted. Finally, the meeting began and took place in accordance with all the regulations. At 1100 the police chief arrogantly entered and ordered: "The meeting is over! Get out now!" To avoid provoking an incident, the activists interrupted the meeting and left the hall. A group of officers and veterans, without asking anybody's permission, had gathered and were shouting "Party, Enver, we are always ready." That is their right. Someone from the ranks of the police shouted "Get them, get them!" The Democratic Party [PDSh] activists kept their heads and dispersed without responding to the provocations. The question arises: Is police permission also necessary for meetings in closed halls? Is this in accordance with international rules on assemblies?

Fier: Neritan Ceka Witnesses

As director of the Archaeological Center, I arrived at the Fier District Archaeological Group to take part in its annual meeting at 1130 on 5 January 1991. I was welcomed in the institution's yard by a group of about 20 people, well-known stage actors and library and bookshop workers with whom I have worked in Fier for six years. They wanted to meet me as an old friend and to hear from me ideas about today's democratic developments. I told them at the start that I am not a representative of any party, and in the short conversation I had with them in the institution's yard I merely stated some of my opinions about democratization in Albania. While we were talking, about 20 policemen equipped with shields and helmets jumped from the institution's wall, surrounded us, and were about to strike us. The deputy chairman of the Fier internal affairs branch, who was in charge of this "operation," informed me that our meeting was illegal and that I must leave together with the assembled people, or he would intervene with the forces of order. To calm the situation and to avoid a scandal, I was obliged to send my friends away and to talk with Mihal Qiqi, deputy chairman of the branch, when I was persuaded that he was not acting on his personal initiative.

I demand that this act and its initiators be punished according to the regulations in force as an attack on state territory, an offense against an official person within this territory, and a violation of the most elementary human rights. I also stress the need for the forces of order to be urgently removed from the verbal command of persons who are not legally responsible for the consequences of these organizations' acts.

Shkoder, Lezhe: A Real Odyssey

Saturday, 5 January, 1400. Arben Imami and Azem Hajdari, members of the Initiating Commission, are in Shkoder with the family of a member of the Shkoder branch. Suddenly gunshots are heard. At about 1700, someone reports that there are casualties at the hospital. The members of the organizing commission go to the hospital immediately. Abdulla Bardhi and Alush Bajrami have gunshot wounds and are receiving medical treatment. The former does not speak, but his family explains that he was wounded at the city's old bazaar. The second was wounded at the same place, where his home is, 20 meters from his front door. It is not known who fired. The hospital director says that there are so far four casualties with gunshot wounds.

The members of the commission try to get in touch with headquarters, but their telephone line is interrupted as soon as they mention the number of casualties. The commission members leave for Tirana. At the entrance to Lezhe, two policemen take their documents and tell them they must report to the internal affairs branch. The police leave hurriedly, taking the documents with them. At the crossroads in the town, another group of policemen stop the PDSh's car. The documents are returned to the commission's members, but the driver's documents are taken. The order comes again to report to the internal affairs branch. There they are left outside until the deputy police chief finally comes out and says, "Excuse us, it was a misunderstanding." In fact it was not a misunderstanding.

Finally, the commission members phone the justice minister from the PDSh office and report the incidents in Shkoder. Amazed, he says that he knows nothing. The 10 o'clock news then broadcasts the report of casualties at the border!

The PDSh, we were told at the PDSH office, remains firm in its legitimate demand for the impartiality of the forces of public order in connection with parties and their activities. It demands that the law should be rigorously enforced and that anyone who provokes incidents and bloodshed should be brought before the law. It insists that information should not be concealed.

PDSh Protests 'Provocations' to Minister Isai

AU3001125691 Tirana RILINDJA DEMOKRATIKE in Albanian 9 Jan 91 p 1

[Unattributed report: "Meeting at the Ministry of Internal Affairs]

[Text] Gramoz Pashko and Eduard Selami, two representatives of the Democratic Party's [PDSh] Organizing Commission, met Internal Affairs Minister Hekuran Isai at lunchtime on Saturday [5 Jan]. The PDSh representatives expressed their concern at the provocative attitude maintained by the police and internal affairs services toward organized rallies and other activities of the PDSh. Such provocations were observed in Shkoder after the rally, in connection with deciding the square for the rally in Vlore, in Fier, Lushnje, etc. The PDSh representatives stressed that in the tense situation such provocations could lead to bloodshed.

Internal Affairs Minister Hekuran Isai said that the Ministry of Internal Affairs had made a response regarding the officer who used a gun after the rally in Shkoder. He said that he was not aware of other incidents and promised that such incidents would be avoided by the police. He also said that the rallies organized by the PDSh had been in order, but that there had been uncontrolled behavior after the rallies that endangered public order, as in Korce and Lushnje. The PDSh representatives stressed that they are not responsible for events after rallies, but they do not wish such behavior to occur. Those who provoke incidents will be held responsible to the nation.

Role of New Paper: To 'Defend Freedom of Speech'

AU3001132391 Tirana RILINDJA DEMOKRATIKE in Albanian 5 Jan 91 p 1

[Unattributed editorial: "The First Word"]

[Text] RILINDJA DEMOKRATIKE utters its first word today.

This "rebirth" [rilindje] has shouldered a heavy burden and an honest task:

It has shouldered the task of speaking the truth. How much we love this word! May we all hear and rejoice at the truth together!

RILINDJA DEMOKRATIKE will speak with the pure voice of free speech. It knows a phrase from long ago: Only when truth is free can freedom be true; therefore, it will make it possible to say the impossible and defend freedom of speech, expression, and thought. It will never keep secrets for some people and give others free rein. It will express and defend the free opinion of its journalists, its coworkers, and people beyond, even people at large, the legitimate right of an entire people for free thought and expression. In its first words, RILINDJA DEMOKRATIKE issues a call that no one should be threatened, persecuted, or censored for speaking out or for his views and their expression.

RILINDJA DEMOKRATIKE was born precisely to accomplish a major democratic task in defense of human rights. It is a democratic newspaper and wants its views to be the opinions and utterances of outstanding democratic and progressive Albanian publicists. It will have the courage of the martyrs of democracy and the ideals of social justice and democracy.

RILINDJA DEMOKRATIKE will devote its every word and every letter to this cause of the nation and the homeland. May the nation shine, unite in brotherhood, and make progress! May the homeland enjoy freedom and independence! May our ancient homeland become a beloved nursery and garden of flowers for her sons, so that they will never turn their backs on her, and never turn their tongues against the homeland. RILINDJA DEMOKRATIKE will strive for this.

In the pages of RILINDJA DEMOKRATIKE, we will meet and discuss with our Kosovar brothers and with all our brother Albanians scattered throughout the world, from the opposite shores of the Adriatic to the American continent.

The pages of RILINDJA DEMOKRATIKE are open.

It will concern itself with all the problems of the life of the people: the economy, culture, history, literature, art, justice, education, the people's thinking and conscience, their customs and traditions, their present and their future. RILINDJA DEMOKRATIKE looks ahead. It has a single desire and ambition to reach everyone, the peasant, scholar, worker, intellectual, writer, scientist, young people and children, young and old.

RILINDJA DEMOKRATIKE was born alongside the Democratic Party and will support and reflect every democratic reform that serves progress, regardless of whatever political force may initiate it and carry it out. It will cultivate dialogue, tolerance, and pluralism.

The words of RILINDJA, however... will never be cosmetic flattery. It will have sharp words for bureaucracy, autarchy, and every evil that tries to obstruct the country's progress, human freedom, and a stronger Albanian law-governed state. Let us not sit with arms akimbo in front of social and state evils. RILINDJA DEMOKRATIKE will apply this principle itself, and demand the same from its readers.

RILINDJA DEMOKRATIKE will speak out in Albanian, a crystal-clear Albanian spring that will not stagnate among the rocks of sophistry, go flat in the vessels of certain ideologies, or become stale with the long and vacuous phrases of officialdom. RILINDJA DEMOKRATIKE wants people to no longer say: "Do not talk like in the newspapers," but to say "We talk like the newspaper RILINDJA..." Its words will be thirst-quenching drink.

Good health to everybody with these first words!

Human Rights Forum Secretary Baleta on Goals

AU3001131691 Tirana RILINDJA DEMOKRATIKE in Albanian 9 Jan 91 p 6

[Interview with Abdi Baleta, secretary of the Forum for the Defense of Human Rights, by Ben Blushi; place and date not given: "We Are Late, But Better Late Than Never"]

[Text] [Blushi] The creation of the Forum for the Defense of Human Rights was announced at the rally marking the founding of the Democratic Party. We have learned that you are its secretary.

What is the aim of this association, the first of its kind in Albania?

[Baleta] The main aim of this humanitarian association is to defend human rights and basic human freedoms, relying on the Universal Declaration of Human Rights approved by the United Nations in 1948, the Helsinki Final Act of 1975, the documents of the CSCE and of Vienna, Paris, and Copenhagen, and many other documents. Besides this, the Forum considers it a duty to make people aware of and defend these documents by legal means. The Forum's demand and aim is the release of all political prisoners. I think this is an urgent matter, because it would not only redress a violation of human rights but because it sounds anachronistic today. One aspect of the Forum's usefulness will be that, as an impartial association, it will help to deepen democracy in Albania and to improve Albania's image in the world. As is well known, public opinion is highly sensitive about this matter. Respect for human rights is a touchstone for every country's democratic road.

Another immediate problem lies the trials and sentences following recent events. Some friends believe that there has been exaggeration.

The Forum, after its registration, will cooperate with all the country's political and social forces. It considers it a duty to establish contacts with all other similar organizations abroad. The Forum will gain from their experience.

[Blushi] When do you expect to register?

[Baleta] We hope that this will happen before the legal deadline following our application, which still has not passed.

[Blushi] Why did you decide to create the Forum at precisely this time?

[Baleta] We decided this because we were convinced that the defense of human rights assumes particular importance within the entire context of democracy.

[Blushi] Does the creation of this Forum seem late to you?

[Baleta] In my view, it does.

[Blushi] How do you intend to organize your practical work?

[Baleta] The organization of practical work is connected first with official registration, after which we will start to create nuclei of voluntary activists in the districts. Convictions and allegiances to different political parties are not important for cooperating normally with the Forum. Nevertheless, it is early to say because we are taking our first steps without the necessary experience.

[Blushi] Do you have anything to add in conclusion?

[Baleta] Personally, I think that broader and more intensive work must be done to publish and disseminate international human rights documents. I also think they should be introduced in school curricula.

Statements by SFRY's Maksic Protested

AU3001123191 Tirana ZERI I POPULLIT in Albanian 23 Jan 91 p 4

[Shaban Murati article: "Mr. Maksic's 'European Lecture'"]

[Text] I do not know what kind of difficulties ruling circles in Belgrade are experiencing that can compel Yugoslav diplomacy to go so far as to announce that Albania must obtain permission from Yugoslavia to join Europe. Listen to this: "Albania must bear in mind that, for Albania, the roads to Europe pass through Yugoslavia and Serbia." This statement has not been borrowed from 1918, 1933, 1945, or 1948, but comes from recent days in 1991. Its announcer is Yugoslav Deputy Foreign Minister Milivoje Maksic, who undertook this duty, which, to say the least, does not help good neighborly relations.

Mr. Maksic is perfectly aware that a free, independent, and sovereign country does not need tutors or patrons. An independent and sovereign country does not need to be taken by the hand and told by Belgrade how to behave and how to enter Europe. First, Yugoslavia is still not Europe; although it has signed the Helsinki Charter, the Paris Charter, and many other international documents, it has been distinguished for violating them. Yugoslavia itself is not finding its way to Europe, and this has been said to our face by Slovenes, Croats, Bosnians, Macedonians, Montenegrins, and even Serbs. Second, Albania, as a sovereign state with an indigenous people who are among the oldest in Europe, knows better than Belgrade where the roads to Europe lie. We are not going to set about asking why the Yugoslav deputy foreign minister should define Albania's European road as leading only through Serbia, and not, for instance, through Slovenia or Croatia. That is his business and it is not up to us to wonder why he identifies Yugoslavia solely with Serbia.

Belgrade has always dreamed of being Albania's tutor and has tried to block our rights, so various countries in the East or West will know our country only through Yugoslavia. We have seen plenty of cases in recent Balkan and European history of one important Eastern or Western capital or another looking at the Albanian question through Yugoslav spectacles. Albania and the Albanians, who have been in the Balkans and in Europe for much longer than the Slavs, have been able to show that they can and wish to live in freedom and independence and, while they have sought friendship, have known how to ward off paternalism.

We do not know which diplomatic manual or international act gives the right to teach Albania who should take the country into Europe. This is not diplomacy, but flagrant interference in the internal affairs of the Albanian people and Albania's own business. Why was this time chosen to do such a thing? Perhaps Serbian circles think that the difficult circumstances of the Albanian people's efforts to achieve democratization make a suitable opportunity to exert pressure on Albania. This leads to an outright threat aimed at Albania by this diplomat, who claims that Albania is not in a position to maintain its own independence. Immediately after this, he offers the Yugoslav umbrella, stating that Albania has a shield for her own progress in Yugoslavia. Belgrade's greed escalates without attention to the slightest diplomatic courtesy.

Inter-Balkan relations are known to be sensitive, and it takes no great skill to exacerbate them. In the Balkan equilibrium, however, the independence of each state is an assistance to other states. By this logic, Albania's independence is an assistance to Yugoslavia. This is a relationship of interdependence for all the Balkan countries, which we all need. Not only have we admitted this, but so have leading Yugoslav officials, including Milivoje Maksic at the many Balkan meetings in which he has taken part.

It was not by accident that this high-level diplomat chose the Pristina newspaper JEDINSTVO to release his statements. This patronizing attitude is aimed not only at Albania, but at Kosovo, to tell Kosovo that it should be glad to have been annexed by Serbia, pleased to have been attached by force to Serbia, which is now heading for Europe while murdering Kosovo's sons, poisoning children, closing schools, pillaging resources, devastating culture, leaving the Albanians hungry, and so forth. Of course, the Albanian people in Kosovo utterly reject this Serbian road to Europe. As for Albania's right to support our brothers across the border, a diplomat will know well that this is in accordance with international law and important European acts.

We do not think that interfering in other people's internal affairs is a way to calm the troubled waters of the Yugoslav federation. Spoiling for artificial conflicts in relations with other countries is also no way to ease Yugoslavia's serious political and constitutional crisis. This is not the way to enter Europe, and still less does it give you the moral right to give "European" lectures to other people.

SFRY Border Authorities Return 210 Citizens

AU3001195491 Tirana Domestic Service in Albanian 1900 GMT 30 Jan 91

[Text] Isuf Baca, spokesman of the Ministry of Internal Affairs, reports that the border authorities of Albania and Yugoslavia met at the request of the Yugoslav side at the Han i Hotit border crossing point on 30 January 1990.

The Yugoslav side handed over 210 Albanian citizens who had illegally crossed the border, and stated that they will hand over all other Albanian citizens who have acted in this way.

Zhelev Attends Council of Europe Session

Arrives in Strasbourg, Addresses Press

AU3001173291 Sofia BTA in English 1704 GMT 30 Jan 91

[Text] Strasbourg, January 30 (BTA)—Bulgarian President Dr. Zhelyu Zhelev arrived in Strasbourg today. Tomorrow he will begin an official visit to the Council of Europe at its invitation.

"Our message to the Council of Europe is that Bulgaria is a European country which has been trying hard to get integrated into Europe," President Zhelev told journalists.

The Bulgarian president, who is a doctor of philosophy, will deliver a lecture entitled "From Totalitarianism to Democracy: Modes of Transition" in the Pasteur Hall of the Strasbourg University Palace.

Tomorrow Dr. Zhelev will address the 42th regular session of the Parliamentary Assembly of the Council of Europe and will meet the leaders of the organization.

"This first visit of a Bulgarian head of state to the Council of Europe is expected to bring Bulgaria closer to the organization and to help its integration into the Council of Europe," Mr. Hans Peter Furer [spelling as received], director for political affairs with the Secretariat of the Council of Europe, told Bulgarian journalists earlier this week in Strasbourg. Mr. Furer said he believed that at its next special session, due to be held in Madrid on February 21, the Committee of Ministers will take a decision to go ahead with a formal procedure to grant Bulgaria membership in the Council of Europe.

Addresses European Parliament

AU3101141091 Sofia Domestic Service in Bulgarian 1032 GMT 31 Jan 91

[Address by President Dr. Zhelyu Zhelev at the 42d regular session of the European Parliament in Strasbourg on 31 January—live]

[Text] Madam General Secretary and esteemed ladies and gentlemen: Permit me to begin my address with a general reflection. For our country, the proximity to Europe has never been a purely geographical concept. We have always considered our country and national culture as an inseparable part of the cultural territory and spiritual atmosphere of Europe. Whenever someone tried forcibly to separate us from the civilization of the ancient continent, from the great cultural values of Europe, we regarded it as a real national tragedy, and at the same time, we always found the strength to return to our natural home continent.

This happened in the 19th century, when after 500 years of the Ottoman yoke, Bulgaria was reborn through its categorical integration with the fundamental principles of European public life—such as parliamentarianism, private property, Christian morality, and enlightenment. The same is happening today. After 45 years of forced Sovietization and totalitarian regime, Bulgaria has once more chosen to belong to democratic and free Europe.

As a result of its geographical situation in the center of the Balkan peninsula and at the crossroads of three continents, Bulgaria has become the focus and heir of numerous civilizations. Remnants of the Thracian, Ancient Greek, Roman, Byzantine, Slavonic, and Ancient Bulgarian culture can be found on our territory. There are also traces of several Eastern civilizations in Bulgaria.

Even in contemporary Bulgarian culture it is easy to find elements of the ancient cultural heritage, of the Christian Middle Ages, and of the humanistic renaissance. It is no coincidence that as early as in the ninth century, Bulgaria was the cradle of the first literate Slavonic culture, which later became an asset of all other Slav peoples, such as Serbs, Russians, Ukrainians, and Belorussians.

Having adopted, preserved, and developed the cultural traditions of Byzantium, Bulgaria transferred this civilization to other parts of Europe in an epoch in which Byzantium no longer existed.

I think that when Pope John Paul II declared the first teachers of the Bulgarian people, the saints and brothers Cyril and Methodius as patrons of united Europe in 1982, he once more nobly confirmed the fact that our country belongs to Europe.

At the threshold of the third millennium, the peoples of Europe have an exceptional chance of truly living together in a common world, with a common future. This is a sincere aspiration of the Bulgarian people.

My country is willing to do everything within its power so this idea may become a reality as soon as possible.

Bulgaria is, therefore, fully resolved to participate in the activities of the European institutions and is ready to contribute its share, to assume its responsibility, to pay its share for the price of building a new Europe.

I consider the EC as one the most powerful and prestigious institutions and it has confirmed its capacity to integrate all states of our continent. In its 42-year history the EC has already contributed a great deal to this integration. The democratic trends and accelerated reforms in the Eastern European countries are also the result of the active role played by the EC in their regard. To numerous dissidents and democrats in our countries who suffered under the Stalinist totalitarian regimes that ruled over our states in recent years, the EC represented the protector and champion of human rights and dignity, watching over the ethical norms and ideals of cultural creativity.

Now that these regimes in Czechoslovakia, Hungary, Poland, and Bulgaria have collapsed and their peoples proceeded along the path of democracy, it is absolutely natural for the aforementioned countries to become full members of Europe.

The EC is a center of gravity not only for West European, but also for the Eastern European states. The more so because the radical democratic changes in our countries are not just a revolutionary myth, but a long and complicated process that is proceeding at a different pace and by different methods.

We are well aware of the fact that the successes of this process depend not only upon the drastic improvement of the economic situation and upon its reform on the basis of market economy principles, but also upon the political, legislative, cultural, and educational conditions that are likely to guarantee the irreversibility of the process and to elevate our citizens to the level of contemporary European consciousness and behavior.

Pluralistic, parliamentary democracy and human rights, which is the credo of your organization, as Mr. Anders Bjorg expressed himself in his speech to the Bulgarian National Assembly in 1990, are also our own credo.

Ladies and gentlemen; all of you who are observing the processes underway in Bulgaria fully realize that 1990 was a turning point in our country's recent history.

This was the year of the real unmasking and dismantling of the totalitarian system in our country, the year that marked the establishment of the foundations of peaceful transition to the country's democratic construction and to a market economy.

Within a year Bulgaria's image has drastically changed. For the first time in half a century free democratic elections were held in our country. A multiparty legislative system was restored in our country. We have a democratically elected president of the republic. A government with the participation of representatives from the major political forces in the national assembly was formed by the end of 1990. The government assumed the great responsibility of implementing the economic reform.

Trade unions that are independent from the state exist in Bulgaria today. We have an autonomous radio and television network, autonomous universities, and a free press.

The Grand National Assembly has adopted important laws, such as the law on the depoliticization of the Army, the forces of law and order, the law courts, the prosecutor's office, the investigating services, the Ministry of Foreign Affairs employees, and staff of the Office of the President of the Republic.

The law on the so-called provisional local governments, which was an important step in dismantling the local totalitarian structures, was also adopted and the same applies to the law on amending the Decree on Economic Activities. This amendment practically opens the way to the privatization of state-owned institutions and industrial installations. It also facilitates and guarantees foreign investments. The legislature has adopted laws on accounting and statistics. The plenary debate on the land bill has been held. Discussions on the bills of local government reforms, which are entirely based on the principles of the European Charter on Local Government, have already opened.

The work on our new democratic constitution of the Republic of Bulgaria is underway. The new constitution will be based on the following principles: Equality of all citizens before the law and guarantees for their basic rights and freedoms in the spirit of the European Convention for the Protection of Human Rights and Fundamental Freedoms and in the spirit of all other international documents adopted in this sphere. Our constitution will be based on the principle of division of powers, on the principle of the supremacy of the law. The discussion of important bills, such as the bills on banks, privatization, competition, foreign investments, a commercial code of regulations, and others, has opened. Important amendments to the National Health Law and to the Law on Pensions have been submitted. We are expecting debates on further amendments in the sphere of labor relations and social welfare that are in accordance with the principles of the European Social Charter.

We are greatly concerned about the ecological situation in Bulgaria. We are aware of the fact that united Europe means an ecologically pure united continent. In this respect we are working on an ecological legislation likely to be in total conformity with international requirements and standards.

The Republic of Bulgaria attaches exceptional importance to the development of all-European cooperation in the ecological sector and is ready actively to participate in it.

An important bill against discrimination on an ethnic basis has also been submitted to our parliament, which we regard as particularly significant. All this will undoubtedly contribute to Bulgaria's worthy contribution to the construction of the all-European entity, in my opinion.

Everything I have said so far should not create the impression that things in Bulgaria are proceeding smoothly and without complications. On the contrary, the processes in our country are contradictory and the steps toward the total democratization of our public life are difficult. We are affected by a grave economic crisis. In a country, such as ours, whose resources are limited, which has a tremendous foreign debt, and whose foreign economic relations have been almost totally severed, the economic reform inevitably demands a very high social price. This requires great sacrifices from us; we can say that we shall be deprived of many things in the literal sense of the word. We fully realize, however, that our transition to a market economy depends entirely on our own efforts, that this objective requires the total mobilization of all internal, human, material, and moral resources, which applies both to the whole country and to every individual citizen.

Nevertheless, without the support of international financial organizations, and especially without the assistance of the highly developed states, it would be practically impossible to achieve our goal.

The dramatic development of the European idea should constantly remind us of the fact that, despite the noble efforts of achieving European unity, the possibility that Europe should be divided into rich and poor countries, into center and periphery, cannot be excluded.

This would deprive the idea of a united Europe of its real justification.

Our difficulties were further exacerbated by the current international events. The Persian Gulf crisis cast a shadow over the future of the worldwide economy. The situation entails particularly grave consequences for the small countries, such as Bulgaria, which are totally dependent on imports of power supply raw materials.

From the very beginning of the crisis, the Republic of Bulgaria wholeheartedly supported the resolutions of the UN Security Council and joined in support of the multinational forces in accordance with the aforementioned resolutions.

The Bulgarian legislature adopted a decision on dispatching a Bulgarian contingent for joining the multinational forces in the Gulf area. This action is a real expression of our country's new foreign policy in support of universal human values and international law.

Our strict observance of the comprehensive economic sanctions inflicted by the UN Organization against Iraq additionally complicated our difficult economic situation. From the purely economic point of view, Bulgaria's participation in the international sanctions against the invasion of Kuwait cost our country approximately $1.4 billion in 1990. Despite all this, our country did not hesitate to join the actions of the international community, because we realize that a peaceful and prosperous world cannot exist without objective guarantees for the security of all states in the world, regardless of their size.

The dramatic developments in Kuwait once more showed that, under the newly existing conditions, individual states may increasingly rely on the joint efforts of the international community for preventing violence. We have no doubt that the future of a peaceful, prosperous, and united Europe can be guaranteed only by the methods recently pointed out at the Paris meeting of heads of state and government leaders of the CSCE member-countries.

The aforementioned meeting confirmed the 10 principles of the Helsinki Final Act as a basis for relations among the states who signed the Act 15 years ago. Time has confirmed the vital strength of these principles. Therefore, as a European state we do not see any other possibility for our own, successful development along the chosen path except a development on the basis of fully and wholeheartedly implementing all agreements and commitments that were voluntarily assumed by the states participating in the all-European process for the sake of common happiness.

For precisely this reason, the Bulgarian legislature and the president of the republic, the government, and all major political forces denounced the use of military force in the Baltic countries that resulted in the loss of human lives. The use of force against peaceful citizens and against legitimately elected state power services are an extremely dangerous form of repression that evoked concern and indignation in Bulgaria.

We consider the question of security in Europe under the new conditions as a crucial issue and we wholeheartedly support the measures aimed at consolidating security and confidence among the states.

In speaking about security, prosperity, and stability for all, I realize that such assets are possible only when they are combined with democracy and the full observance of human rights and freedoms.

In Bulgaria today we attach primary importance to this aspect of the changes we are engaged in. The practical experience related to the implementation of human rights and freedoms of the individual in our country was promptly coordinated with the standards valid in all democratic societies. Therefore, we are standing here with a new self-confidence; we are ready to join the European human rights convention. The work devoted to the perfection of legislation in this sphere is actively progressing in our country. This also applies to the coordination of our legislation with international norms on the basis of full equality before the law and total elimination of any discrimination whatsoever. We devote particular attention to the observance of human rights related to people belonging to different ethnic, religious, or language groups in our country. We regard these rights as an inseparable part of the entire complex of human rights and freedoms. Bulgaria shall not tolerate any delay in guaranteeing and protecting the rights and freedoms of any Bulgarian citizen whatsoever. We shall not permit any discrimination and inequality. We resolutely rejected the grave violations of the Bulgarian Turks' rights that were committed by the former regime.

We are fully aware, however, of the fact that there can be no self-complacency in the sphere of human rights. The protection of such rights and the concern about their effective implementation, the guarantee for the supremacy of the law in social life—these are the major tasks and duties of every democratic state system.

The Bulgarian Government devotes constant attention to human rights, and this applies to all political forces. We have immense respect and interest for the great experience accumulated by the EC in this sphere. Therefore I repeat: Bulgaria expresses its wish and readiness to join the European Human Rights Convention, which is one of the basic international treaties in this sector.

Bulgaria devotes particular attention to the problems of security and cooperation in the Balkans. History has assigned us a unique geographic position in the European continent, which unfortunately, has not distinguished itself by great stability so far.

The cultural, religious, language, and ethnic variety of our area combined with the contradictions and prejudices inherited from the past is likely to trigger dangerous phenomena. Nationalism and chauvinism are likely to become a threat against peace and the democratic process in the area. In this respect the mutual dependency on each other within the framework of our continent assumes a new dimension. I am convinced that the path for overcoming such dangers goes through the successful and persevering development of democracy in the Balkans, which Bulgaria is ready to contribute to.

We welcome all forms of cooperation in our area and, as I already mentioned, such cooperation could not be separated from the all-European cooperation, based on the same guiding principles that apply to the European process.

Today we have the lofty chance of becoming a uniting link on the Balkan Peninsula and to play a worthy role in the Europeanization of the Balkans.

Esteemed Mr. Chairman, ladies and gentlemen, the experience of the EC in all its aspects is unique and highly valuable for us. It is precisely the EC which embodies the opportunity for the rapprochement and mutual enrichment of European peoples in a united community. Your experience clearly shows that if this unity is implemented on the solid basis of democracy, human rights, and of mutual respect, results, such as prosperity, stability, and social progress, will promptly follow. Everyone gains from this, because such assets will consolidate worldwide stability and will implement the hopes of all peoples for a peaceful future.

Bulgaria is ready and capable of participating in the fulfillment of this noble, historic task. The implementation of this task is linked to our EC membership. We support the idea of establishing a parliamentary assembly of the all-European process on the basis of the currently existing EC Legislative Parliamentary Assembly. We consider this as a model of multilateral European cooperation, which means that its future opportunities have been confirmed.

I express the gratitude of the Republic of Bulgaria for the invitation of joining four EC conventions. I am pleased to announce that the Bulgarian legislature has ratified the conventions.

I would like once more to confirm our readiness of assuming all commitments required for our EC membership. The Bulgarian people possess all characteristic features of the European peoples, they share all aspirations and needs of the European peoples. Hence, in saying that we have embarked on the path toward Europe, it means that we are finding ourselves, that we are returning to ourselves. Bulgaria is an European state.

Thank you for your attention.

Council of Europe Assembly President Interviewed

AU3001144791 Sofia BTA in English 1342 GMT 30 Jan 91

[Text] Sofia, January 30 (BTA)—The fact that Bulgaria has been granted the status of a "specially invited" country and that President Zhelyu Zhelev will make a speech in the Parliamentary Assembly of the Council of Europe means not only the establishment of closer relations between Bulgaria and the council, but also a growing sympathy for the development of your country, Mr. Anders Bjorck, president of the Parliamentary Assembly of the Council of Europe, said in the interview given to TRUD.

According to Mr. Bjorck Bulgaria is on the right track, but the country should have a new democratic constitution and a penal code that would guarantee the freedom of the individual. Holding new, democratic elections will be of decisive importance for Bulgaria's admittance to full membership in the Council of Europe.

President Zhelev's visit at the official invitation of the Council of Europe means that he is respected as a personality and that he represents new Bulgaria. We are glad that Mr. Zhelev will not only make a speech, but will answer the questions of the deputies in the Parliamentary Assembly, Mr. Anders Bjorck said.

Mr. Bjorck expressed his satisfaction with the fact that Europe freed itself from most of the totalitarian regimes, but he is convinced that if the economic situation of these countries is not improved, the democratic processes there will be delayed and new autocratic regimes may be established. In his opinion Europe should not only increase its aid, but also expand its cooperation with countries like Bulgaria.

Chief of Staff Minchev Analyzes Gulf War

AU3001125391 Sofia in Bulgarian 22 Jan 91 p 1

[Interview with Colonel General Radnyu Minchev, chief of General Staff, by Krasimir Tomov; place and date not given: "This War Does Not Resemble Any Previous War"]

[Text] [Tomov] Can you describe the new elements in strategy and tactics reflected in the current Persian Gulf military actions?

[Minchev] This war is unlike any other, not only from the military, but also from the political point of view. The anti-Iraq coalition rallied 28 countries to join the struggle against Saddam Husayn. This circumstance also determined in advance the superiority of the multinational forces in the field of military equipment, especially regarding the Air Force and the Navy, from the point of view of both quantity and quality. This superiority was particularly great in connection with the main strike. In addition, the military actions started and are being conducted according to a detailed plan. The targets subject to destruction in the air force operation, and especially regarding the first, massive air raid, were precisely determined with the assistance of space reconnaissance equipment. The powerful radio electronic attack that immobilized the radio electronic system of the Iraqi Army and the national mass media (such as radio and television) for a long time, practically deprived the Iraqi Army of its communications. As a result, Iraq's Armed Forces and its antiaircraft defense practically became inoperable at the very moment of attack.

Another "innovation" of strategic art was demonstrated in the Persian Gulf. I am talking about the priority role of the air force. So far it was always assumed that the air force has a supporting function, while the main role is assigned to the ground forces. All these concepts were reversed in the current war. The strikes from the air inflicted grave damage to airports, arsenals, and military plants. Air raids against the elite Republican Guard of Iraq also started.

[Tomov] Are you convinced that the military strength of Iraq has been sufficiently undermined?

[Minchev] The strikes were powerful, but the missile attacks against Israel and Saudi Arabia show that part of Iraq's missile potential and the basic links of its air force are still unharmed. In addition to this, the superiority of Saddam Husayn's ground forces is considerable. This applies to his 5,000 tanks, a powerful artillery, and a nearly million strong army; therefore we can hardly talk about final defeat.

[Tomov] The "Desert Storm" plan was no secret in general lines. Even the mass media described the "scenario" several weeks and months before the war started. Why did Saddam hesitate to inflict the first strike, considering that the aircraft carriers in the Gulf, or the Saudi Arabian oil terminals were within the range of his missiles?

[Minchev] Iraq has no great chances from the strictly military point of view. A similar attack would have been suicidal even from a political point of view. By letting himself being attacked Husayn is trying to gain a political advantage, namely to avoid being once more accused of aggression and thus to pose as the victim, thus introducing a split among the Arab states participating in the anti-Iraqi coalition. After the effective antiaircraft response to his air raids, Saddam will presumably rely on the superiority of his tanks, ground forces, and artillery.

[Tomov] By permitting the use of its air bases, Turkey has practically joined the war. Does this circumstance not affect Bulgaria's confidence in being separated by a reassuring distance of 1,500 kilometers from the scene of military operations?

[Minchev] Aircraft have already been taking off from Incirlik Air Base. There has been no retaliation against Turkey so far. The Iraqi missiles are incapable of covering a 1,500-kilometer distance. Nevertheless, an expansion of the area of military operations cannot be excluded and we are not underestimating this possibility.

[Tomov] Do you not think that the development of the Gulf war indirectly affects a traditional Bulgarian controversy—namely the debate for and against a professional army?

[Minchev] It is not a question of principle, but of possibilities. A professional army is a very expensive option that we can hardly afford under the current circumstances in our country. There is even more—the demographic crisis that was reflected in the cadre situation in our Army was exacerbated by the fact that thousands of recruits refused to join the Army ranks in 1990, preferring to go abroad. Even today half of our the Bulgarian Army is professional. This applies to all officers, sergeants, and petty officers who have enrolled in the Army for periods exceeding the regular term of service. Nevertheless, the economic crisis has also affected the Army. Incidentally, since we are discussing the air force, it would certainly be interesting for you to learn that in our country the pilot of a supersonic fighter aircraft earns less than a bus driver! You should realize that the physical effort of each flight causes the pilot to lose 3 kilograms of his weight, not to mention the painful separation from his family.

I repeat: A professional army is the best, but the most unfeasible option for the time being.

[Tomov] Do you expect the war to end soon?

[Minchev] This is everyone's wish, but Iraq is not yet defeated from the military point of view. With the ensuing operations on the ground the war might be even more prolonged and cost even more blood. I hope for a political solution and not for a war until the final victory.

Zhivkov, Balev Manifest Different Trial Approach

AU3001133591 Sofia OTECHESTVEN VESTNIK in Bulgarian 22 Jan 91 p 1

[Unattributed report: "Zhivkov Does Not Contest"]

[Text] For the time being Todor Zhivkov is not litigating his indictment. The deadline set for litigation elapsed on 21 January. As Mladen Danailov, deputy chairman of the Supreme Court, declared, the number of the accumulated documents made it necessary to extend the deadline for litigation by seven days. Zhivkov did not take advantage of the opportunity, quite unlike Milko Balev, his former first assistant and fellow worker, who yesterday called once more on the Supreme Court office and asked to read the documents on his case, having submitted his official litigation a week ago. He requested that additional documents of the former Bulgarian Communist Party [BCP] Central Committee be made available to him. From now on the Supreme Court is entitled to decide whether Balev's requests are legitimate, whether they are relevant to the case, and whether they should be satisfied.

According to Mladen Danailov, the fact that the deadline for litigation has elapsed does not deprive Zhivkov of his right of litigation during his trial and does not prevent him from producing additional evidence, experts' opinions, or further witnesses. The members of the court have not yet been elected, but it is the Supreme Court's intention to announce their names on the first day of the trial. The date of the first court session will be announced by the end of the current week. According to forecasts, it be expected for next month.

Energy Committee Members Accused of Incompetence

AU3001122891 Sofia SVOBODEN NAROD in Bulgarian 22 Jan 91 p 2

[Article by Danail Glavchev, duty controller at the Central Control Administration of the Energy Industry Committee: "Here They Are Again"]

[Text] Since August 1990 we have all been bowed over by the "brilliant" condition of the Bulgarian energy industry. Our houses are dark and cold, and since November hundreds of industrial enterprises have reduced their production processes to the minimum because of shortages of electric power, and are not producing the goods we need so much. All Bulgarian people realized that it is the wrong decisions and the entire activity of the leadership of the Energy Industry Committee that have led to the serious energy crisis that now affects the entire country. It has become clear to everyone that this managing team is not capable of righting the cart that it has upset itself. Only competent and capable professional people with new ways of thinking can set our energy industry onto the right path.

This view is not shared, however, by the Council of Ministers and the Grand National Assembly. These two institutions want to entrust the stabilization and development of one of the most important industrial sectors to the "indispensable" energy experts who have made great contributions to the "successes" of our national energy industry.

Certain political forces are proposing Mr. Zhak Karakash, general director of the Bobovdol Economic Mining and Power Complex, as chairman of the Energy Industry Committee. This combine's mines provided so much coal that the Bobovdol Thermoelectric Power Plant is producing 180 megawatts of power with an installed capacity of 630 megawatts; in other words, this plant is responsible for 450 megawatts of the power shortage.

On 18 January 1991 the Grand National Assembly finally elected the Energy Industry Committee, which has to set the guidelines for the new development of this sector. The chairman of the commission is Mr. Kiril Nikolov, director of the Kozloduy Nuclear Power Plant. Yet the downtime of the 1,000 megawatt No. 5 generating unit (6,900 hours in 1989-90) and the delays in repairs to the other electricity-producing installations of this flagship of our nuclear energy industry shook our energy system to its very foundations.

The secretary of the commission is Mr. Bozhan Bozhanov, director of the Bobovdol thermoelectric power plant, the plant with the largest number of breakdowns, whose operation we described earlier.

One of the commission members is Nikola Todoriev, whose services to the "flourishing" of our energy industry will be disputed by no one.

Another commission member is Mr. Rusi Danev, general director of the Maritsa-East Economic Mining and Power Complex. Because of coal shortages, the power plants of this complex are producing an output of 1,200 megawatts, with an installed capacity of 2,000 megawatts, thus "contributing" 800 megawatts to the power shortage.

The gentleman in the government and the Grand National Assembly should realize, however, that our energy industry is in an extremely serious state, and that such an attitude to the future development of the sector that forms the basis of the entire Bulgarian economy cannot be allowed.

Railways Announce Higher Fares From 1 Feb

AU3001092691 Sofia Domestic Service in Bulgarian 2030 GMT 29 Jan 91

[Text] The Bulgarian State Railways announce that in fulfillment of a government decision, beginning 1 February, a new tariff will come into force for the conveyance of passengers and parcels on the country's railway transportation system.

Fares on ordinary passenger trains will rise by 108 percent. A ticket for a fast train will cost 25 percent higher than the fare for an ordinary passenger train, and fares on express trains will be 50 percent higher. [passage indistinct]

Travelers can obtain detailed information at railroad stations and ticket sales offices.

Report on Nerve Gas Discovery in Gulf Unconfirmed

LD3001131191 Prague Domestic Service in Czech 1200 GMT 30 Jan 91

[Text] Members of the Czechoslovak antichemical warfare unit in Saudi Arabia have discovered, in the course of tests carried out a few days ago, traces of nerve gas. The amount, however, was too insignificant to threaten the soldiers in the area. This was reported today by the U.S. Associated Press news agency [AP], which cited unnamed sources about the situation in the area of the find.

Specialists from the antichemical warfare survey, according to AP, have expressed a belief that the discovered gas came from an Iraqi factory damaged by a U.S. Air Force raid. The command of U.S. units in the Gulf has, however, not commented on this report.

In an interview with CTK, Major General Jiri Jinda, head of the Foreign Relations Department in the Czechoslovak Ministry of Defense, neither confirmed nor denied the AP report.

Supply Plane To Be Sent to Saudi Arabia

LD3001144391 Bratislava Domestic Service in Slovak 1100 GMT 30 Jan 91

[Text] In Prague, our colleague (Miroslav Mlynar) has just attended a news conference with Defense Minister Lubos Dobrovsky:

[Begin Mlynar recording] The plane that will soon fly to Saudi Arabia will carry volunteers who are to strengthen the guard unit, foodstuffs, spare parts for machinery and ammunition, and all the necessary items requested by the Czechoslovak antichemical warfare unit command. This was said at a press conference in Prague today by Colonel Petr Tax, a press spokesman for the ministry. Colonel Valo, the unit commander in the area where the unit is concentrated, says there is no military activity in progress. Soldiers can feel the war atmosphere, especially at night when they can watch the Scud missiles flying toward Riyadh.

The Czechoslovak Army command has recently carried out several steps to make possible closer contact between parents, relatives, and friends and our soldiers in Saudi Arabia. Some have used a direct telephone line, others have sent the Ministry of Defense parcels, greetings, and messages which will be taken to the area by a special plane.

In addition to the briefing at the Defense Ministry, other important meetings were held today. There is a meeting between Defense Minister Lubos Dobrovsky and military doctors from units and higher levels that has been in progress since 0900 in the great hall. The problem of health care in the Czechoslovak Army is the main topic of their discussion. It is very serious, especially since many military doctors have left military units. In the afternoon, the defense minister is to meet top representatives of villages from the Ostrava region, specifically from the Mosnov area. As is well known, an important military airport is situated there. It is a sore point with some citizens of this region. The aim of the talks will be to discuss the problem and adopt conclusions which will be acceptable for both sides. [end recording]

Palestinians Assaulted, Provoked in Prague

AU3001133891 Prague SVOBODNE SLOVO in Czech 28 Jan 91 p 4

[CTK report: "The Palestinian Standpoint"]

The embassy of the state of Palestine received with deep disquietude the news of an attempted physical assault on the Palestinian journalist Razzaq 'Abd-al-Quadir. As already reported by CTK, a group of Czechoslovak citizens attempted to assault this journalist at the Florenc subway station [Prague] on the evening of Friday, 25 January. "We wish to draw attention to the fact," the embassy statement reads, "that Arabs and Palestinians are becoming the target of an unjust and organized campaign. It was launched in December 1989 and grew with the outbreak of the Persian Gulf crisis." The statement emphasizes that Palestinians staying in the Czechoslovak territory will not react to these attempts at provocation because of their concern with the friendly relations between the peoples of Palestine and Czechoslovakia.

Foreign Minister on Council of Europe Membership

LD3001160291 Prague CTK in English 1421 GMT 30 Jan 91

[Text] Strasbourg Jan 30 (CTK)—Czechoslovak Foreign Minister Jiri Dienstbier said here today that Czechoslovakia's main objective in the shpere of international politics is to become part of a new Europe of peaceful and free nations, a Europe undivided by adverse military blocs and united in cooperation in the pursuit of its shared ideals and values.

Addressing a session of the Council of Europe, where Czechoslovakia's admission to this institution is also to be discussed, Dienstbier said Czechoslovakia was working for a fast and radical dissolution of first the military and later political structure of the Warsaw Pact. "We would like to see a new security system, based mainly upon political rather than military means, to provide a stable guarantee of security for the whole European region," he said.

With a view to achieving this objective, Czechoslovakia hopes for further development of cooperation with institutions such as NATO and the Conference on Security and Cooperation in Europe (CSCE) process, for gradual enlargement of the European Community as well as for new frameworks of international cooperation, namely the Pentagonal Group (Italy, Austria, Hungary, Yugoslavia, and Czechoslovakia) or a tripartite group consisting of Poland, Hungary, and Czechoslovakia, said Dienstbier, adding that "we do not mean to create new blocs or closed pacts or alliances, we rather view these groups as tools for promoting cooperation and consultation in areas of common interest."

Referring to Czechoslovakia's relationship to the Soviet Union, which he said was an important and integral part of its policy, Dienstbier recalled the difficult histoty of these relations, including the Soviet-led invasion of Czechoslovakia in August 1968, which destroyed the roots of a democratic system Czechoslovakia was in the process of building. He pointed out that the majority of the people in Czechoslovakia support the new political developments in the USSR but are disturbed by signs of social, political and economic instability "which might provide a welcome opportunity for all kinds of hazardous scenarios, including a gradual return to conservative, totalitarian policies".... Dienstbier expressed Czechoslovakia's support for the justified demands of the peoples of the USSR for democracy and self-determination and also its anxiety about developments in the Baltic states and other regions of the USSR.

Dienstbier went on emphasize Czechoslovakia's readiness to engage its full potential for the enhancement of the values representing a common European heritage. "We are aware of the debt we owe to the Council of Europe and we are prepared to start paying that debt," he said.

He said Czechoslovakia was in the process of gradually ridding the country of the institutional heritage of 50 years of totalitarian rule, adding that the psychological heritage will be even more difficult to get rid of. He recalled critical moments that were connected with the preparation of the legal framework for democratic reforms, e.g. the laws on power-sharing between the federal, Czech and Slovak governments and the laws safeguarding the rights of minorities (passed last December).

Speaking of the constitutional bill of basic rights and liberties, the first of its kind in Czechoslovakia's history, adopted by the parliament earlier this year, Dienstbier said that in the process of its formulation, Czechoslovakia was taking into consideration the complex system for the protection of individual human rights and liberties developed by the Council of Europe as the pattern to follow. The bill of basic rights and liberties states explicitly that al the international agreements are superior to Czechoslovak laws, Dienstbier said, adding that this was Czechoslovakia's contribution to the European convention for the protection of human rights and fundamental liberties which it is prepared to sign along with the statute of the Council of Europe.

Dienstbier recalled Czechoslovakia's signing of the European Cultural Convention, and added that it is preparing to sign some 30 more agreements of the Council of Europe, covering human rights, the social sphere, culture and legal assistance.

Speaking about the field of economy, he said Czechoslovakia believes the best way of promoting ideas of democracy is to break with the system of state-planned economy and introduce a Western-type market economy. A crucial condition for that is creating the legal foundation for privatization of small as well as large enterprises. Just as important is to correct, at least symbolically, the injustices committed by the totalitarian regime and restore full legal protection for private ownership, said Dienstbier.

He spoke of the difficult economic situation in Czechoslovakia and the liberalization of prices, which will put a great burden on the shoulders of the Czechoslovak people, adding that another serious blow was the sharp rise in oil prices resulting from the Persian Gulf crisis. He recalled Czechoslovakia's contribution to the efforts of countries allied to enforce the UN Security Council resolutions by providing an Army unit specialized in defence against chemical warfare, and voiced the hope that "the international community will recognize our difficulties resulting from these factors and help us overcome the setbacks."

Membership Approved

LD3001161691 Prague CTK in English 1508 GMT 30 Jan 91

[Text] Strasbourg Jan 30 (CTK correspondent)—The Council of Europe's parliamentary Assembly unanimously approved today the recommendation for Czechoslovakia to become a full member.

Czechoslovakia has been attending Council meetings as a "special guest" since April 1990.

The decision to adopt Czechoslovakia will be formally approved by the Council's Committee of Ministers at the end of February in Madrid.

In a speech to the Assembly Czechoslovak Foreign Minister Jiri Dienstbier stressed that Czechoslovakia considers membership in the Council of Europe to be of basic importance in its "return to Europe" and the renewal of a democratic legal state.

Calfa on Power Plant Dispute With Austria

AU3001121291 Vienna DIE PRESSE in German 26 Jan 91 p 3

[Interview with CSFR Prime Minister Marian Calfa by Karl-Peter Schwarz in Prague; date not given: "The Limits of Decency Have Been Reached"]

[Text] [Schwarz] Mr. Prime Minister, during your meeting with Chancellor Vranitzky in Bratislava on Tuesday [29 January] you will again discuss nuclear power.

[Calfa] Austria apparently is not interested in anything else in relations with the CSFR.

[Schwarz] Why?

[Calfa] I would like to know that myself.

[Schwarz] Your government has decided to repair the Bohunice nuclear power plant and to operate it until 1995. Vranitzky's five-point plan has been rejected. So what do you want to discuss with Vranitzky?

[Calfa] Vranitzky has shown enormous interest in this meeting. The problem is that relations between Austria and the CSFR are being narrowed down to the Bohunice issue; however, we also have a lot of common interests. We are jointly establishing national parks in the Bohemian Forest and the Thaya Valley. We are interested in linking our country to the pipeline, highway, and railroad network in the south. We must deal with the question of what is to be done at the borders once the peoples in Europe start migrating. About 38,000 Czech citizens are living in Austria, some of them illegally. We should discuss many issues....

[Schwarz] Do you think that the atmosphere will improve during your meeting?

[Calfa] I believe in personal contacts. I know Mr. Vranitzky very well. So far, we have held very good and useful talks.

[Schwarz] Vranitzky has made a specific proposal concerning the joint construction of the Wolfsthal II power plant.

[Calfa] Of course, we want to produce electricity under conditions that do not damage the environment. This is the case with hydroelectric power plants. We will gladly agree to such a plan if the preconditions are acceptable. The CSFR built the Gabcikovo plant over several years. It has almost been completed now. Austrian enterprises participated in the construction.

Because of Hungarian resistance, however, construction work was stopped. Austrian companies also suffered enormous losses in this connection. Unfortunately, Austria did not support us in negotiations with Hungary. If Gabcikovo were in operation now, however, we would be able to solve our electricity problem and could discuss the closure of Bohunice.

In view of this comprehensive package, one would have expected a stronger commitment on the part of Austria for the completion of the Danube power plant. Austria, however, was silent at the time and now suggests building another power plant, again on the Danube. I believe it is about time to hold talks in a way that corresponds to the complexity of the situation.

[Schwarz] An agreement, which was concluded shortly before the democratic revolution, exists between Austria and the CSFR and provides for information in the case of nuclear accidents. Austria believes that the agreement is too inaccurate.

[Calfa] I do not know whether Chancellor Vranitzky will broach this issue. I certainly will not do that. We do not believe that we violated this agreement, if you are referring to the incidents in Jaroslavske Bohunice. The CSFR informed Austria within 24 hours about the fire. Since the fire did not affect the nuclear zone, I do not really know what Austria would have done if it had known about the fire 12 hours earlier. One must take into consideration the specific situation. I do not think that anyone was endangered through this incident. It only heated up emotions and strengthened irrational fears.

[Schwarz] Are you not worried when you hear about a fire at a nuclear power plant?

[Calfa] There were fires in the CSFR with much more fatal consequences. If I hear about a fire in the distribution chamber of a nuclear power plant outside the nuclear zone, I am much less worried than if a fire breaks out at a chemical plant or a refinery that endangers the whole plant.

[Schwarz] Shortly after the fire in Bohunice, there was a fire in Dukovany. This gave rise to the suspicion that sabotage was involved in both cases.

[Calfa] We had a suspicion, and therefore we carefully examined the two incidents. There is no evidence of sabotage. In addition, I ordered the strict control of all sensitive points of our reactors. Of course, one can also paint apocalyptic scenarios, but it is not very useful. If somebody blasts all dams on the Moldau, nobody in Prague will survive. One can only take the best possible safety measures and pray that such a disaster may never happen.

[Schwarz] If Bohunice is so safe, why do you plan to close it down in 1995?

[Calfa] The CSFR has been producing nuclear energy for the past 20 years. Bohunice was our first nuclear power plant. Every reactor has only a limited service life. You can rest assured that the CSFR does not only improve its technology because of Austrian complaints. We have always done that, but we did not talk about it in public in the past. The Austrian campaign, however, has led to the paradoxical situation that our government is now confronted with the reproach of taking irresponsible risks.

I am sorry, but I have to tell you that the limits of decency have already been reached. You may rest assured that we are responsible enough to close down the plant immediately if peoples' lives are in danger!

For this reason, we have examined the condition of our reactors very carefully. People only talk about a report drafted by an Austrian commission, and not about three other reports that arrived at different conclusions.

[Schwarz] There were objections that the reports by the Siemens and Westinghouse companies were influenced by the hope to win orders.

[Calfa] If this were the case, they would have been interested in finding severe defects to win bigger orders. I am asking myself a much more fundamental question: Why does Austria believe it is a model concerning nuclear issues? There is also a French, a German, and a Japanese model. Strangely enough, Austria thinks it is a model for Europe.

[Schwarz] How do you view the CSFR's future energy policy?

[Calfa] The CSFR will not renounce the use of nuclear energy. We must restrict the generation of electricity through the burning of brown coal. First, one can no longer speak of coal, but rather of a mixture of coal and dirt. Second, our mines are nearly empty. Third, open pit mining is a violation of the landscape that can no longer be tolerated.

As a matter of fact, we are trying to operate our coal mines as ecologically as possible, but coal mining has no future.

[Schwarz] The CSFR is covering 27 percent of its demand with nuclear energy. What will the percentage be in the future?

[Calfa] We will complete the Temelin 1 and Temelin 2 plants as well as the Dukovany and Mohovice plants. We have not yet made a decision about what we will do then. Basically, there are only two possibilities: Nuclear power plants or power plants operated with gas or mineral oil.

Restrictions on Sale of Hungarian Currency Waived

AU3001134691 Prague HOSPODARSKE NOVINY in Czech 28 Jan 91 p 8

[CTK report: "Forints Without Restrictions"]

[Text] According to a Czechoslovak State Bank announcement, Czechoslovak citizens traveling to the Hungarian Republic will be able to purchase an unlimited amount of forints as of Monday, 28 January 1991. This measure applies also to persons under 15 years of age, provided they have their own passport. Forints will be bought and sold by Czechoslovak foreign exchange and monetary institutions and licensed exchange bureaus at an exchange rate fixed within their own jurisdiction on the basis of supply of and demand for Hungarian forints. This measure has been adopted on the basis of the results of talks between the Czechoslovak State Bank and the Hungarian National Bank.

Contract Signed With USSR Machinery Producers

AU3001134391 Prague SVOBODNE SLOVO in Czech 26 Jan 91 p 4

["(cej)" -signed report: "Major Contract"]

[Text] Prague— A $39.5 million contract involving deliveries of components for textile machinery was signed by representatives of the Investa Prague shareholding company and the USSR Tekhmasheksport company in Prague yesterday. Parties to the contract are a factory at Penza for the production of PPM spindleless spinning machines and Elitex Surany, a producer of spinning points, the most important components of spindleless spinning machines. The contract guarantees the sale of 300,000 spinning points this year, as well as the delivery of 1,600 ventilators from the Strojtex plant at Dvur Kralove. It is an expression of the continuation of bilaterally beneficial cooperation between textile machinery producers under the new conditions of economic relations between the CSFR and the USSR, based on the use of world prices.

Federal Assembly Approves Antimonopoly Law

LD3001160191 Prague CTK in English 1403 GMT 30 Jan 91

[Text] Prague Jan 30 (CTK)—A government bill for the protection of economic competition was passed here today in the 13th joint session of the Czechoslovak parliament.

Finance Minister Vaclav Klaus introduced the bill, saying there was an acute need for such a law in order to confront the destructive influence of monopolistic structures in production and trade and to create a healthy competititive environment.

An anti-monopoly law would provide for the oversight of cartel and merger agreements, said Klaus, as well as the monitoring of enterprises that have a monopoly or near-monopoly position—defined as control of at least 30 per cent of the market.

The original bill proposed to create a federal anti-monopoly bureau with individual branches in the republics, but as approved by the parliament the law provides for bureaus at both the federal and republic levels. The federal bureau alone will deal with situations involving an enterprise with a market share of 40 per cent or more in both republics.

Eleven deputies spoke on the anti-monopoly bill, including Civic Forum Deputy Karol Stome who suggested the new bureau for economic competition should open a review of the Skoda-VW agreement made in December. Federal Minister for Economic Competition Imrich Flassik thanked Deputy Stome for his initiative and recommended a review of the Skoda-Volkswagen contract following approval of the law for the protection of economic competition.

In other business the deputies voiced their approval of an agreement between the Czechoslovak and Canadian Governments on the elimination of double taxation and the prevention of income and property tax evasion, signed in August 1990.

Federal Assembly Approves Rehabilitation Law

LD3001172791 Prague CTK in English 1643 GMT 30 Jan 91

[Text] Prague Jan 30 (CTK)—The Czechoslovak Federal Assembly approved here today amendments to the law on judicial rehabilitations.

Under the amended law the families of persons who were unlawfully executed or died in custody under the communist rule (1948-1989) will receive the sum of 100,000 crowns [korunas].

Compared with the original law which took effect on July 1, 1990, the amended law considers as heirs also brothers and sisters. Extra sums of 20 or 15 crowns for every month spent in custody or prison will be paid monthly not only to those who were on pension by July 1, 1990 but also to all those retired after this date. However, the total amount paid i.e. the extra sums plus pension must not exceed 3,800 crowns per month.

Locals 'Without Chance' in Privatization

AU3001135391

[Editorial Report] Prague HOSPODARSKE NOVINY in Czech on 28 January on pages 1 and 2 carries a 800-word unattributed report entitled "Small Privatization Launched." The report deals with the first public auctions of state-owned shops in Czechoslovakia, which were held in Prague on 26 and 27 January. On the same day, on page 2, HOSPODARSKE NOVINY carries a table (six by four inches) on the outcome of the first auctions.

According to the HOSPODARSKE NOVINY report, 16 of the 20 businesses that were to be auctioned off in this first round of "small privatization" were actually sold. Three businesses on the original list (a furniture store, a food store, and the "Moscow" restaurant in the center of Prague) could not be offered for sale because the original owners or their heirs have laid a claim to them (which means that they will be returned to them under the restitution law, if their claims prove to be warranted). The sale of one business (a shop for electric household appliances) was declared invalid because the highest bidder turned out to be a cooperative, which contravenes the rules (cooperatives do not have the right to participate in auctions under the law on small privatization).

The HOSPODARSKE NOVINY table shows that the overall price of the 16 auctioned shops reached 22.02 million korunas (Kcs), while the original asking prices totalled Kcs2.104 millions. Interpreting this result, the HOSPODARSKE NOVINY report says that "the doubts of many whether anything whatsoever would be sold in the first auctions have been convincingly refuted." In some cases the starting price increased as much as 50 or even 70 times (a vegetable and fruit shop, for example, had a starting price of Kcs5,000 and was sold for Kcs340,000). According to HOSPODARSKE NOVINY, because of the large sums offered, "there appear all kinds of conjectures about the new owners, including the view that, in the shadow of competitors from among emigres, our citizens do not have a great chance to succeed."

Asked about his impression from the first auctions, auctioneer Ivo Gavlas tells HOSPODARSKE NOVINY: "It was fantastic. I am enthusiastic about what a disciplined course the auction took and about the absence of complications. Although nothing like this has been held in our country for 40 years, the people immediately understood the system and behaved as though it were the most natural thing for them to go to auctions."

Minister Vavrousek Queried on Environmental Issues

AU3101112391

[Editorial Report] Prague SVOBODNE SLOVO (SLOVO NA SOBOTU Supplement) in Czech on 26 January on page 2 carries a 2,200-word interview with Josef Vavrousek, federal minister-chairman of the Committee for Living Environment, by Radek Galis entitled "Let Us Stay Tolerant." The interview, the place and date of which are not given, deals with Vavrousek's views on controversial energy projects and with his ministry's financial problems.

Speaking about the nuclear power plant in Jaslovske Bohunice, Vavrousek says that, from the viewpoint of seismicity, it is "in the second worst location" in Czechoslovakia (after Komarno in southern Slovakia). Other shortcomings are the plant's "outdated technology" and the fact that "in designing it, one did not reckon with the possibility of the main pipeline bursting." Moreover, the reactor vessel of the V-1 plant in Jaslovske Bohunice is made "of material that is not suitable for this purpose." According to the minister, another problem in Jaslovske Bohunice is that the dismantling of the A-1 nuclear power station there, which broke down in 1977, proceeds very slowly and that radioactive waste from this decommissioned power station is stored in "containers that are not leakproof."

On the other hand Vavrousek, stresses that the V-1 and V-2 units in Jaslovske Bohunice supply the entire southeastern part of Slovakia and that "the lights there would go out" if the two units were to be closed. Imports of electricity from elsewhere are out of the question because of the inadequate capacity of transmission lines and transformer stations. Vavrousek continues: "In spite of this, I am determined to have the power station put out of operation as soon as it turns out that the reactors are in a condition that approaches, or already exceeds, the limit of an admissible risk. Of course, it is immensely difficult to determine where exactly the limit of the admissible risk runs. We are facing a dilemma. The first mistake would be to close a power station that could serve for a long time to come and then suffer from a severe disruption of the economy. The other mistake would be to allow an accident that might jeopardize human lives. These facts have existed for a long time but they have been kept deliberately under wraps—even by the Czechoslovak Atomic Energy Commission, which naturally knew what the real state of affairs was."

Asked about energy assistance offered by Austria in the event of closure of Jaslovske Bohunice, Vavrousek says that the Austrian offers are "unrealistic and not concrete." He points out that Austria itself must import energy and that the only time when Austria has surplus energy is July when Czechoslovakia does not need any additional electricity. Moreover, the Austrian electricity could not be supplied to eastern Slovakia where it is needed "as the Austrians know very well." Vavrousek sees the only solution in energy conservation, also by means of increasing its price. He believes the government should have increased the price of energy before starting to increase the prices of anything else.

Commenting on the Gabcikovo-Nagymaros system of Danube dams, Vavrousek says that the original project was "an economic nonsense and an ecological crime." He sees both "extremes"—the completion of the project according to original plans and the abandonment of the project, which is the wish of the Hungarian side—as "bad, with the termination of work being possibly even the worse alternative." He points out that 14 billion korunas [Kcs] have been "drowned" in the project already and that 40 square kilometers of land in the area of Gabcikovo, some of the most fertile land in Czechoslovakia, are "completely ruined." As the minister adds, "95 percent of the damage is on our territory; therefore, it is extremely irresponsible for the Hungarians to keep their hands off today." In Vavrousek's opinion, Czechoslovakia should hold roundtable discussions with the Hungarian side and find a solution to "complete the system, albeit with a completely changed philosophy of operation." One possibility of completing the project with modifications would be to refrain from the construction of the large reservoir at Hrusov and to limit the Nagymaros section to the construction of a low weir for navigation purposes.

In another reply, Vavrousek responds to criticism of the activity of the Federal Committee for the Environment. He admits that the Committee "does not work as it should," which he attributes to the fact that he has had to work with staff inherited from the former State Committee for Scientific-Technical Development. These people—"many of whom simply do not want to work or are unable to work"—are leaving only now, after the expiry of the legal period of notice. Vavrousek is confident that the work of the Committee will improve because, since the beginning of the year, he has been able to hire "foremost experts" for the vacated positions.

The minister also draws attention to the lack of funds with which the Committee must cope. He points out that the legislature allocated only Kcs300 million for his department (which was an improvement over the Kcs100 million in the original draft of the federal budget), which is desperately little if one considers that the desulfurization of a single coal-fired power plant unit costs Kcs1 billion. This means his department will depend on financial assistance from other countries. He mentions that the EC has already given Czechoslovakia financial assistance of 30 million European Currency Units for environmental projects and that negotiations are underway with other foreign institutions and countries, such as the Nordic Investment Bank, "Americans and the Japanese."

Havel Pays Working Visit to Slovakia

LD3001213991 Prague CTK in English 2048 GMT 30 Jan 91

[Text] Bratislava Jan 30 (CTK)—Work on new Czecoslovak, Czech and Slovak constitutions and the current political situation in Slovakia were discussed here today by Czechoslovak President Vaclav Havel and representatives of the "Public against Violence" (VPN) civic movement here today.

VPN Chairman Fedor Gal told CTK that discussed were also relations between the "Civic Forum" (OF), VPN's sister movement in the Czech lands, and the VPN, they remain unchanged in spite of internal discords with the OF, Gal said.

According to Havel, the process of crystallization within the OF is natural in view of the broad spectrum of views and stands represented in it.

During his one-day working visit to Slovakia, the Czechoslovak president also met with representatives of the Christian Democratic Movement (KDH). One of its leading representatives Jan Klepac said that the president was informed that the KDH is working out an alternative economic program which differs from the notions of Federal Finance Minister Vaclav Klaus, the architect of the economic reform launched in Czechoslovakia on January 1. The movement disagrees with the project of a market economy disrespecting the social aspect.

At a meeting with leading personalities from the mass media, discussion focused on the difficult economic situation of papers and magazines in Slovakia which is seen as a threat to the preservation of political plurality in this area.

Answering journalists' questions, Havel said that his proposal to strengthen presidential powers does not aim at giving him new powers, but at creating guarantees for functioning of democracy which are not yet embedded in the Czechoslovak constitutional system.

Speaking about the economic reform, the president said it must be carried out as quickly as posible.

Asked to comment on manifestations of mistrust of federal bodies in Slovakia, the president said that the nations of Czechoslovakia must be taught to view the Czechoslovak federation as their common affair.

Slovak Response to Hungarian Press Accounts

AU3001133991 Bratislava NARODNA OBRODA in Slovak 26 Jan 91 p 3

[Report on statement issued by Jan Comaj, director of the Slovak Republic Government Office Press and Information Department: "Tamas Katona's Groundless Remarks"]

[Text] In yesterday's NARODNA OBRODA, we published a report that stated that some Hungarian dailies—with reference to an announcement made by Jan Comaj, director of the Slovak Republic Government Office Press and Information Department—have reported that Milan Knazko, Slovak minister for international relations, held a meeting on 22 January 1991 with Jeno Boros, Hungarian consul general in Bratislava, to convey to him the Slovak Ministry for International Relations' astonishment at the contents of an interview with Hungarian State Secretary Tamas Katona published in the daily MAGYAR HIRLAP. The consul general has denied in Hungarian dailies that an interview took place, because on 22 January he was not in Bratislava.

J. Comaj, director of the Press and Information Department, has stated the following regarding this issue: "On 22 January I informed journalists that Minister M. Knazko was due to receive Consul General J. Boros at approximately noon. As the Hungarian Consul General was not in Bratislava, the reception at the Slovak Ministry for International Relations took place a day later on 23 January 1991."

Let us quote the following from the statement issued by the Slovak Republic Government Office Press and Information Department:

"At the beginning of the meeting with Consul General J. Boros, representatives of the Slovak Ministry for Foreign Relations expressed their satisfaction with the positive statements made about Slovakia recently in the Republic of Hungary. It is unpleasant that the Slovak Ministry for Foreign Relations had to express its reservations about remarks made by Tamas Katona, state secretary at the Hungarian Ministry of Foreign Affairs, which were published in the daily MAGYAR HIRLAP. They stressed that his remarks about increasing anti-Czech, anti-Hungarian, and anti-Jewish tendencies in the Slovak Republic are groundless. They requested the Hungarian side to approach such serious matters in a considered manner and asked that they only publish substantiated facts. At the same time, they expressed their hope that the Hungarian side will adopt measures to ensure that similar groundless statements are not repeated.

"The Hungarian consul general stated that Tamas Katona made his comments as a private individual. In this connection, an objection was raised that the remarks made by the state secretary cannot be interpreted as the remarks of a private individual.

"The Hungarian consul general promised to inform his government about this issue."

OF Right Wing Rejects Antigovernment Speculation

AU3001133391 Bratislava NARODNA OBRODA in Slovak 26 Jan 91 p 2

[Text] Federal Assembly Deputy Daniel Kroupa, chairman of the Interparliamentary Club of the Democratic Right (MKDP), has stressed that neither a constitutional nor a government crisis is threatening Czechoslovakia. The MKDP has expressed its support for Prime Minister Calfa, Minister Dlouhy, and others. The MKDP regards reports about the alleged attempt to express a lack of confidence in the government as deliberate disinformation and as an attempt by some Civic Forum elements—which feel threatened within the movement—to place the democratic right wing in an unfavorable light and to accuse it of trying to destabilize the country.

Slovak Communists Become Party of Democratic Left

AU3001134991 Bratislava PRAVDA in Slovak 28 Jan 91 pp 1,2

[Martin Krno and Peter Misur report: "Party of the Democratic Left"]

[Excerpts] Bratislava—In accordance with a resolution adopted at the Communist Party of Slovakia Presov Congress, members of the party's Central Committee held a meeting on Saturday [26 January] to make a decision about the only issue under discussion—removing the first part of the name Communist Party of Slovakia-Party of the Democratic Left [KSS-SDL]. Communist Party of Czechoslovakia deputies in the Slovak National Council and the Federal Assembly also participated in the meeting. Ivan Hudec, who resigned as a member of the KSS-SDL Central Executive Committee, was replaced in this party organization by Jozef Kosnar, a deputy in the Federal Assembly Chamber of Nations.

KSS-SDL Chairman Peter Weiss made an introductory speech regarding the argument in favor of changing the party's name, on the current situation, and on the party's future tasks. He stressed the "profound differentiation within the party; however, this is not in relation to its platforms, but to the outcome of the congress." In this connection, he said that it is absolutely necessary to correctly understand the real situation in which not only the party, but the whole of society, finds itself. The scenario for economic reform—which is "a return to capitalism"—and the sharp rise of the right wing require the left-wing part of the political spectrum to consolidate and reinforce its position. Therefore, the party faces the task of "establishing a civic profile," and not of turning itself into a "militant organization." The name change is also part of this process.

KSS-SDL Deputy Chairman Dusan Dorotin then submitted the proposal that the first part of the party's name be removed effective 1 February. He cited the following reasons for changing the party's name: the party's nominal capability for action, its huge loss of members, its constant preoccupation with its own affairs, and the existence of centrifugal forces. At the same time, he emphasized that changing the party's name will not mean a loss of Communist Party of Czechoslovakia deputies' mandates at either a national or federal level. The political aspect of the name change should contribute toward consolidating the left wing. It is necessary to understand this as an appeal for a dialogue among these forces and as an attempt to seek what unites them. This issue does not involve organizational consolidation but rather the party's capability for action in specific situations. [passage omitted]

Following an impressive speech from Jozef Orszagh, chairman of the Council of District Representatives, who—among other things—warned the party leadership that it pays too little attention to local policy, several tabled contributions to the debate were withdrawn because everything had, in fact, been said. The voting—a three fifths majority had to decide in favor of the name change—was as follows: of the 21 Central Executive Committee members, 19 were in favor of the change and two were against; of the 35 members of the Council of District Representatives, 30 were in favor of the change, four were against, and one abstained. The meeting's participants welcomed this decision with applause and by singing the Czechoslovak National Anthem.

Jan Zelinka, a guest at the meeting, reacted critically to the voting. He said, among other things, that "communist oriented members of the KSS-SDL will take the necessary steps in the ideological-political, policy, and organizational spheres with the aim of establishing a Marxist political party to be called the Union of Slovak Communists [Zvaz Komunistov Slovenska]." [passage omitted]

Interest Rates Increase in Slovakia

AU3001134591 Bratislava VEREJNOST in Slovak 25 Jan 91 p2

[CTK report: "Also Additional Interest"]

[Text] Bratislava—As of 1 February 1991 the State Savings Bank of Slovakia will implement in its interest policy, in addition to the basic payable interest announced from 1 January 1991, a so-called additional interest for 1991. This concerns savings accounts, savings-checking accounts, current account deposits, and personal loans. The bank specifications regarding long-term deposits are also changing.

The total interest on the regular savings accounts remains unchanged at 2 percent. The interest on six-month term deposits will increase from 7 to 11 percent, on 12-month term deposits from 9 to 13, and on 24-month deposits from 12 to 17 percent.

If the account is closed, the additional interest will not be paid. If the deposit is withdrawn prematurely, the savings bank will impose a penalty in the amount of:

5 percent of the sum withdrawn in the case of the six-month term deposits,

7 percent of the sum withdrawn in the case of the twelve-month term deposits,

10 percent of the sum withdrawn in the case of the 24-month term deposits.

The total return on the "premium" savings account will increase to 18.2 percent. If the deposit is withdrawn or the account closed, the premium will not be paid. The older deposits maturing after May 31, 1991 will have the premium raised proportionally. The increase of the basic interest rate to 5 percent pertains to all existing premium term deposits.

The savings-checking accounts, in addition to the basic 2 percent rate of interest, will also gain 2 percent additional interest. It will be paid if the average deposit is not under 5,000 korunas. Continuous bookkeeping is also planned and interest paid if the account is overdrawn will be raised.

The interest rate for personal loans is increased by 2 percent except for loans with a legally prescribed interest rate.

SFRY Wants Answers on Alleged Croat Arms Sale

LD3001154491 Budapest Domestic Service in Hungarian 1500 GMT 30 Jan 91

[Text] The Yugoslav federal secretary for national defense requests a reply from the Hungarian minister of defense in connection with the alleged arms sales. The Yugoslav federal secretary for national defense requests a precise and urgent reply from his Hungarian counterpart, Lajos Fur. The army newspaper in Belgrade carries today the earlier letter from Veljko Kadijevic to Lajos Fur, in which the federal secretary, for the sake of good relations between the two states and the two armies, awaits the soonest possible reply from the Hungarian minister of defense on the documents of the program broadcast on Belgrade television. As is known, Hungary was accused on Belgrade television of by-passing the Yugoslav organizations and sending arms to Croatia.

Defense Spokesman on 'Scandal'

LD3001183691 Budapest Domestic Service in Hungarian 1700 GMT 30 Jan 91

[Text] [Announcer] The letter from the Yugoslav federal secretary for national defense to Lajos Fur, in which he requests information on the alleged Hungarian arms sales to Croatia, has been published in Belgrade. Gyorgy B. Valko reports from Belgrade.

[Valko] The Belgrade newspaper NARODNA ARMIJA has published several new documents in connection with the Croatian arms purchase scandal. The letter published was from Veljko Kadijevic, federal secretary for national defense, in which he informed his Hungarian counterpart, Lajor Fur, of the reports concerning the arms sales, and asked for an urgent reply from the Hungarian minister of defense. The letter was dated 29 October, nearly three weeks after the date when the first consignment was sent off. This letter had not yet figured in the Yugoslav documentary shown on Friday evening, but there was already mention then of two firm Yugoslav warnings regarding the consequences of the arms sales. The Hungarian reply, according to the Yugoslav documents, was that it was a normal transaction that did not involve ministry.

[Announcer] I asked by telephone Col. Gyorgy Keleti, ministry spokesman, about the position of the Ministry of Defense, and about the letter.

[Begin recording] [Keleti] On 30 October of last year, Major General Vuletic brought it personally to Budapest.

[Announcer] Did the minister reply to the letter?

[Keleti] He replied, naturally, one day later, to the same general who had brought the letter from the Yugoslav federal secretary for national defense—rather, he who had brought the letter from the Yugoslav federal secretary for national defense handed over the reply from Mr. Lajos Fur.

[Announcer] Then why is the Yugoslav minister urging an exhaustive reply?

[Keleti] I find this incomprehensible, because as opposed to the Yugoslav letter, which was some one-and-a-half pages long, the Hungarian minister of defense replied in two-and-a-half pages. He informed his counterpart that in Hungary, the Ministry of Defense of the Republic of Hungary does not have a foreign trade privilege. Only authorized foreign trade enterprises are entitled to export and import arms in our country. At the same time, a Council of Ministers decree regulates the conditions of the arms trade and the system of issuing permits.

[Announcer] Irrespective of that, is it conceivable that Hungarian enterprises might have delivered arms to Yugoslavia?

[Keleti] I think that the Foreign Ministry and the competent ministry, the Ministry for International Economic Relations, have already replied to this, in which they ruled out the possibility of delivering arms. [end recording]

[Announcer] The spokesman added that the invoices, customs papers, and other documents shown in the Yugoslav documentary have not yet reached Hungary in their original form. Thus, they cannot yet make a statement about their authenticity.

CSFR Bid To Join Council of Europe Supported

LD3001154391 Budapest MTI in English 1354 GMT 30 Jan 91

[Text] Strasbourg, January 30 (MTI)—Hungary appreciates the progress made towards democratic development in Czechoslovakia, Hungarian MP [member of parliament] Jozsef Bratinka (Hungarian Democratic Forum) said on behalf of Hungarian deputies at the parliamentary assembly of the Council of Europe, during a debate on Czechoslovakia's joining the council.

Czechoslovakia fulfils the requirements for membership, with its three legislative bodies working intensively to guarantee human rights in the country, the Hungarian MP said.

He stressed that the realization of human rights is a process still unfinished but Czechoslovakia's joining the Council of Europe would contribute to the solution of existing problems, including that of the Hungarian minority in Czechoslovakia.

President Goncz Holds Talks in U.S.

Notes 'Identical Views'

LD3001101991 Budapest MTI in English 0831 GMT 30 Jan 91

[Text] Washington, January 30 (MTI)—The United States highly appreciates Hungary's symbolic participation in the war effort of the allied coalition, Arpad

Goncz, president of the Republic of Hungary, told Hungarian journalists after his talks in Washington. The Hungarian head of state arrived in the United States on a private visit at the invitation of Georgia University.

On Tuesday, Goncz held cordial talks with Deputy Secretary of State Lawrence Eagleburger at the Hungarian Embassy. Goncz said they had identical views on the Gulf war and the situation in the Soviet Union. He welcomed the sincere interest of his negotiating partner in Hungary's political and economic situation and social changes.

The sides agreed that regional cooperation between the three new democracies—Hungary, Czechoslovakia, and Poland—was a natural and deesirable phenomenon. The president drew the conclusion from his talks with Eagleburger and other senior U.S. politicians that, in the light of the Soviet developments, the role of East Central Europe was gaining in importance.

On Tuesday, the president met representative Christopher Cox (Rep.), who put forward a bill on removing Hungary from the list of "countries under communist rule," which still involved economic disadvantages. The bill will soon be discussed by the House of Representatives.

On Wednesday, the Hungarian head of state is to deliver a paper in the Institute for Foreign Affairs of the Carnegie Foundation.

Addressed Politicians, Businessmen

LD3101095791 Budapest Domestic Service in Hungarian 0600 GMT 31 Jan 91

[Text] The Hungarian head of state is on a private visit in the United States. Arpad Goncz told leading members of U.S. political and economic life that the house of democracy in Hungary had been built, but there is no money to furnish it.

Speaking about foreign policy, the Hungarian president said that whatever happens in the future the Soviet Union and its republics will remain important partners for Hungary. He considers NATO to be the long-term pillar of European security, but he also said it is important to retain regional cooperation in Eastern Europe.

Iran To Buy Trolley Cars; Will Supply Oil

LD3001142491 Budapest MTI in English 1315 GMT 30 Jan 91

[Text] Budapest, January 30 (MTI)—The Hungarian FTO [Foreign Trade Officer] MOGURT [Foreign Trade Enterprise for Motor Vehicles] and the mayor of Tehran signed a preliminary agreement in Budapest recently about supplying 200 million U.S. dollars' worth of Hungarian vehicles to Iran.

A Hungarian Ministry of International Economic Relations official confirmed that Iran intends buying about 2,000 buses and 60-65 trolleybuses, and also commissioning Hungarian companies to construct an 18-kilometre trolleybus network.

Concrete business talks are reported to be about to start.

During the visit Hungarian Foreign Minister Geza Jeszenszky paid to Tehran earlier this month, the Iranian party said it would be prepared to export 2-2.5 million tonnes of oil to Hungary annually, or have Iranian oil processed in Hungarian refineries.

The details of this deal are to be discussed in Budapest during the second half of February.

Hungarian exports to Iran showed around a 40-per-cent increase lst year, climbing to 125 million USD [U.S. dollars].

Hungarian imports were a marginal 1 million USD.

Bids Solicited for Food Supplies to U.S. Forces

AU3001101991 Budapest MTI in English 1432 GMT 28 Jan 91

[Text] Budapest, 28 January (MTI)—The U.S. military supply command headquarters in Germany has invited Hungary to put in a bid to act as one of its suppliers, a Hungarian Ministry of International Economic Relations official told MTI today.

Budapest would be particularly interested in delivering foodstuffs, including meat products, dairy produce, and canned food, to supply U.S. troops stationed in Germany.

The ministry official said Hungary did attempt to supply the U.S. Army with a few items a few years ago, but the Hungarian offer was then politely turned down.

Ministry officials believe the current invitation is a symbolic gesture on the Americans' part: Hungarian exporters will still have to secure their bid, it is said.

MTI, UKRINFORM Agencies Sign Agreement

LD3001155691 Budapest MTI in English 1514 GMT 30 Jan 91

[Text] Budapest, January 30 (MTI)—A co-operation agreement was signed between the Hungarian news agency MTI and UKRINFORM, the Ukrainian news agency, on January 30.

This is the second time MTI has entered into direct contact with a news agency belonging to a Soviet republic, the first being that of Estonia.

The agreement was signed by the director-general of MTI, Otto Oltvanyi, and the deputy director of UKRINFORM, Viktor Chamara, in Budapest.

Reportage on Foreign Minister's Visit to Sweden

WA3001203491

For reportage on the visit by Foreign Minister Geza Jeszenszky to Sweden, including reports on his talks with Swedish Foreign Minister Sten Andersson and leading Swedish businessmen, please see the Nordic Countries/Sweden section of the 30 January West Europe DAILY REPORT and subsequent issues.

MSZP Chairman Horn on Alleged Misuse of Funds

AU3001135991 Budapest NEPSZABADSAG in Hungarian 28 Jan 91 pp 1, 5

[Interview with Socialist Party Chairman Gyula Horn by Peter Vajda on 27 January; place not given: "Horn: A Provocation of the Socialist Party"; first paragraph is NEPSZABADSAG introduction]

[Excerpts] During the second half of last week, a great number of people were sent a four-page letter; branches of the Hungarian Socialist Party [MSZP], parliamentary representatives of the MSZP, politicians, and editorial offices were all sent a copy of the letter. (NEPSZABADSAG's editorial office was not included in this list.) The letter began with "Dear Comrades." It was signed "a few members of the MSZP apparatus." The letter levels severe charges at Gyula Horn and at a few other MSZP leaders, and it tries to support these charges by annexing various addenda. The leadership of the MSZP has called a meeting to discuss the affair. Our columnist Peter Vajda interviewed Gyula Horn on the afternoon of Sunday, 27 January.

[Vajda] Mr. Horn, what do you think about this letter?

[Horn] As a parliamentary representative and as chairman of the National Assembly's foreign affairs committee, I receive a lot of letters. Most of these letters express support or make requests, but some of them are letters of abuse or denunciation. Unfortunately, we have a tradition of the latter, and this tradition seems to be continuing. Almost all these letters are anonymous.

I think the letter to which you are referring, signed by "a few members of the MSZP apparatus," also belongs in the aforementioned category. Incidentally, I did not receive a copy of this letter. In its statement on the afternoon of Saturday, 26 January, the MSZP leadership made it clear that we do not usually deal with this literary genre; nevertheless, given that the letter and its addenda refer to alleged facts, I personally urged the leadership of the party to conduct an immediate investigation into the matter. We also agreed that we would not make any statements until the results of the investigation were known; however, given that the affair is causing waves in the mass media (and I am really not reproaching journalists when I say that,) I have to talk about the affair now, particularly because this is not the first instance of the MSZP being provoked.

[Vajda] Seeing as how you are talking about provocation, what do you think about the main statements made in this letter?

[Horn] Allow me to quote from the letter: "For a long time now, the party leadership, a few members of the party apparatus, and other people have objected to the many different ways in which party property is being looted; we want to put an end to the individual gains that are made from this pillaging." In relation to this, the letter further mentions that I refuse to accept any well-meant warnings, that I refute everything with great self-confidence, and that I manage to find an explanation for everything. According to the letter, I behave in this way even though I receive a fair amount of warning memorandums. Subsequently, the letter lists a series of documents as "proof," but these documents were written at a time when I was not even leader of the party. Furthermore, at the time, the leadership of the party knew about these affairs and discussed them. I would like to point out that it was in full knowledge of these affairs that the May 1990 MSZP Congress reached its own decisions. I could also add that at a closed session of this congress, I personally insisted that order be brought into our economic management.

There are personal allegations in this letter, and as far as some of our party leaders are concerned, these allegations belong to the strictly private sphere. Even during the days of the old state party, no attention would have been paid to such allegations. [passage omitted]

[Vajda] According to the letter, you and your colleagues have illegally dealt in a large-scale art treasure business, and you have made use of your contacts among the Interior Ministry's border guards, as well as among the country's customs officials.

[Horn] The old property of the Hungarian Socialist Workers' Party [MSZMP] included valuable paintings and porcelain. We returned the paintings that had been put at our disposal to their respective museums—paintings that the former MSZMP had received completely officially from the Ministry of Cultural Affairs. As for the other goods, including lead-glass and porcelain, these were wrapped up, an inventory was made, and they are still being stored in our party headquarters. The Audit Office has also verified this.

[Vajda] In that case, what did you take out to the West?

[Horn] We did not sell a single object, not in the East, not in the West, and not at home. This can be verified at any point. [passage omitted]

[Vajda] Have you received any kind of special payment from your party?

[Horn] I act as party chairman because I consider that to be my social duty. I have not collected a cent for that. I live off my salary as a parliamentary representative.

[Vajda] According to the letter, 32,000 German marks have been placed in two accounts at the Dresdner Bank in Bonn; the accounts carry the name of one of your party leaders. What is your response to that allegation?

[Horn] The allegation is slanderous, and the annexed document is a vulgar forgery. [passage omitted]

Interior Minister Explains Ministry Restructuring

AU3001102191 Budapest MTI in English 1650 GMT 28 Jan 91

[Text] Budapest, 28 January (MTI)—Peter Boross, the minister of the interior who has been in office for hardly a month, has set himself the aim of restoring public safety and security.

At his news conference on Monday, Boross also announced that he hoped to bring the police force under his jurisdiction. The ministry is to reorganize its entire internal apparatus, to cut back on bureaucracy, with a freeze on staff numbers already ordered for the Ministry of the Interior and its supporting institutions. The sole exception is the administrative staff of the police force.

The minister also discussed the recent land reclamation moves, in answer to a question. He said that the police will take firm action against the organizers of unlawful actions, as soon as any of the rightful owners make a report to the police.

Finance Minister on Foreign Currency Accounts

AU3001144391 Budapest NEPSZABADSAG in Hungarian 28 Jan 91 pp 1, 5

[Interview with Finance Minister Mihaly Kupa by Ferenc Hajba in Gyor Menfocsanak on 26 January: "We Will Not Touch the Foreign Currency Accounts!"; first three paragraphs are NEPSZABADSAG introduction]

[Text] Finance Minister Mihaly Kupa was a guest at Gyor Menfocsanak on 26 January. The public forum was organized by Laszlo Medgyaszszay, member of the National Presidium of the Hungarian Democratic Forum [MDF] and National Assembly deputy.

At his initiative, government members are meeting the local population in various communities in the country. Hungarian Television also supports this initiative and will broadcast this forum today.

After the forum, Mihaly Kupa answered our correspondent's questions.

[Hajba] Hearing the questions and observations here, I wonder whether the public is prepared for the changes in our financial system and the market economy?

[Kupa] Your doubts are justified. I do not know whether you noticed that even the entrepreneurs wanted to divide things. This, of course, is not their fault.

[Hajba] The observations made here at the forum suggested to me that the people regard both poverty and wealth as a shame.

[Kupa] We can count on this Hungarian middle-course wisdom because it can also be useful for avoiding extremism. Naturally, from an economic viewpoint, it is not welcome that people still think in terms of the average and even egalitarianism.

[Hajba] You said we should create a balanced social situation. Does the finance minister have enough resources to do this?

[Kupa] No, there are not enough. When I said this I meant that we must not make the various groups in society confront each other. Everyone should find his place in this society. This can be the basic thought of a proper government activity.

[Hajba] In your opinion, which group in our society is most affected by the financial and economic burdens?

[Kupa] There are such strata in every group. Among the pensioners, those who retired earlier and are unable to add to their monthly income are now having more difficulties. Among the young people, those who graduated from high schools and colleges and are at the beginning of their careers are now in a disadvantageous position. Among people living from wages and salaries, the so- called "panel people" [people living in meager housing complexes] are most affected by the economic burdens, people who somehow managed to buy a small flat, furnish it, and have two children. Well, these people can hardly defend themselves against the economic difficulties. I cannot even tell them to go into ventures. A considerable part of the population of every country lives from wages. Besides, the deteriorating economic conditions also affect the entrepreneurs, especially those who were not ambitious enough or those whose services are no longer so much in demand.

[Hajba] In addition to money, there is also a lack of confidence. Officials of the Finance Ministry and Hungarian National Bank promised that the foreign currency accounts would not be closed, but the people withdrew their hard currency from these accounts and did not even bother with the loss in interest payments.

[Kupa] Look, I categorically declare that we will not touch the foreign currency accounts. This would also be a suicidal step for the government!

[Hajba] Unfortunately, people have had bad experiences; therefore, a responsible and honest word is not enough today. I asked a few people standing in line in front of the National Savings Bank.

[Kupa] Well, what did they say?

[Hajba] Many people were suspicious about the fact that the deputy state secretary, who had openly refuted the rumors about the foreign currency accounts on the Television News, resigned in the meantime.

[Kupa] I am surprised by this combination. Tibor Draskovics's resignation has nothing to do with his declarations.

[Hajba] This massive suspicion makes one wonder why the Finance Ministry fails to make its important statements and refutations convincing and authentic, by making use of psychological experience?

[Kupa] We want to do this by all means; therefore, professional people will take over the information department of the Finance Ministry.

[Hajba] What about the comprehensive economic program you promised earlier?

[Kupa] The first draft will be ready by 1 February. I visited France recently and I discussed the basic principles of this program in several interviews there. The French press called it a New Deal; of course, this is slightly exaggerated in the case of such a small country as Hungary.

State Budget Deficit Decreases in 1990

LD3001142291 Budapest MTI in English 1231 GMT 30 Jan 91

[Text] Budapest, January 30 (MTI-ECONEWS)—The deficit the Hungarian state budget recorded in 1990 was 1.4 billion forints, far smaller than the expected 10 billion, Hungary's finance minister, Mr. Mihaly Kupa, told the press here today.

He said that the hard currency exports of Hungarian companies grew by 14-15 per cent in volume, and by 18 per cent in dollar value, and they made far higher profits than predicted.

This meant they also paid more profit tax into the budget, and this is the principal source of the budget deficit's being much smaller than expected.

In 1989, the budget deficit was 52 billion forints.

The planned deficit for 1991 is 78 billion forints.

The finance minister stressed that in 1990, Hungary's industrial output declined by 5 per cent and East European trade plummeted by 20-25 per cent.

Small and medium-sized companies managed to make up for market positions lost by larger companies.

Last year, Hungary saw a ceritable boom in new businesses.

At the end of 1989, 14,427 private ventures were registered. This number had soared to 23,257 by the third quarter of 1990.

The number of joint ventures grew by about 2,000 to an estimated 5,000, and 500 million U.S. dollars [USD], new foreign working capital came into the country last year.

Total capital investments now stand at approximately 1.2 billion USD.

Mr. Kupa said that the external judgement of the country is good, something which is also reflected by the fact that Hungary is the only East European country that can issue bonds on foreign capital markets.

The finance minister is confident that the country's economy can be safely financed during 1991.

Mr. Kupa said priority targets now were bringing inflation under control and speeding up privatization. Last year saw a consumer price inflation of 29 per cent.

Spontaneous or market privatization was more successful last year than the slow and sluggish state-controlled process managed by the state property agency, the Hungarian finance minister told newsmen.

The strong criticism levelled against the State Property Agency (SPA) seems to confirm rumours that Mihaly Kupa wants to take control of the agency, the organization that manages privatization in Hungary.

In the Budapest daily the "MAGYAR HIRLAP," Lajos Csepi, head of the SPA, said he was aware the rumours were doing the rounds, but considered it a dangerous step to bring the agency under the Finance Ministry's control.

He said it was all very well to criticize himself or the SPA's work, but the organization should not be stripped of its independence.

He added he has not had the opportunity yet to go into this point in any depth with Mihaly Kupa.

1990 Agricultural Statistics Show Improvement

LD3001142591 Budapest MTI in English 1317 GMT 30 Jan 91

[Text] Budapest, January 30 (MTI-ECONEWS)—Calculated in convertible currency, Hungary's agricultural and food imports were 605 million USD [U.S. dollars] in 1990, 2 per cent up on the previous year, according to preliminary figures released to MTI-ECONEWS by the Ministry of Agriculture.

Trade in agricultural products showed a surplus of 1.3 billion USD.

The principal imports were vegetable proteins and grain for fodder. Hungary bought 654,000 tonnes of vegetable proteins last year, 40,000 tonnes less than a year earlier. At the same time imports of grain for fodder almost doubled from 224,000 to 462,000 tonnes.

Other products inported included cured tobacco, cocoa, coffee, and tropical fruits in 1990.

Non-convertible agricultural imports totalled 201 million rubles, slightly more than in 1989, and consisted mainly of beer, salt, and canned fish.

As regards exports, convertible agricultural exports exceeded the 1989 figure by 15 per cent, and totalled 1.9 billion USD, while deliveries to non-convertible markets were down 8 per cent to 935 million rubles.

PAP Evacuates Due to Bomb Alert

LD3001153791 Warsaw Domestic Service in Polish 1500 GMT 30 Jan 91

[Text] The evacuation of employees of the POLISH PRESS AGENCY [PAP] began just after 1500. Telephones were switched off. Clients of several banks situated on the ground floor of the building were also asked to leave. PAP Deputy Chairman Michal Czarnecki informed this reporter that the disarray was caused by an anonymous telephone call. The caller said that, because of PAP's unfavorable stance on the crisis in the Persian Gulf, a bomb would go off in the agency at 1510 [1410 GMT]. Special services searched the whole premises but had found nothing by 1530.

Bielecki Outlines Government Program

AU3001110591 Hamburg DER SPIEGEL in German 28 Jan 91 pp 168-171

[Interview with Polish Prime Minister Jan Krzysztof Bielecki by Martin Pollack and Klaus Reinhardt; place and date not given: "Walesa Has the Final Word"]

[Text] [DER SPIEGEL] Mr. Prime Minister, your term starts against the background of two international political conflicts: there is war in the Gulf, and tanks are rolling in the neighboring Baltics. What does this mean for Poland?

[Bielecki] We were prepared for a possible Gulf war. The very night war broke out, we convened a meeting of crisis staff.

[DER SPIEGEL] What was the result of that meeting?

[Bielecki] We discussed the security of the Polish citizens, which I think is fundamentally guaranteed. The economic aspect is more difficult. Iraq is an important trading partner of Poland, and we have so far bought our oil there. Now we have to pay in convertible currency even for Soviet oil.

[DER SPIEGEL] What about the Baltics? As a direct neighbor, why does Poland not recognize the government of independent Lithuania?

[Bielecki] Why should we be the first to do so? Poland supports Lithuania's desire for sovereignty. I emphasized this standpoint also in my government declaration, where I discussed relations to the USSR and the Baltic republics.

[DER SPIEGEL] Do the approximately 300,000 Poles, who now live in Lithuania, agree to Lithuanian independence?

[Bielecki] After the Soviet Army invaded Lithuania, there was clear reconciliation between Lithuanians and Poles. The shared objectives and the spirit of solidarity have held their own.

[DER SPIEGEL] The CSFR intends to leave the Warsaw Pact because of the occupation of the Baltics. President Vaclav Havel has called on Hungary and Poland to take identical steps. Will you discontinue membership in the Pact?

[Bielecki] So far this has rather been a declaration of intent than an actual decision to leave the Pact, but this is an internal affair of the CSFR. In this question Poland is closer to the Hungarian standpoint and believes that ending the term of the Warsaw Pact should be dealt with in separate discussions.

[DER SPIEGEL] Your government is currently negotiating the withdrawal of Soviet Troops from Polish territory. Do you think that these talks are threatened by the intervention in the Baltics?

[Bielecki] We know that such developments might be used as a pretext for the Soviet side to take a less flexible position. Our attitude, however, remains unchanged. We want both the question of the withdrawal of Soviet troops from Poland and the problems resulting from the transit of military forces from the former GDR to be settled and signed in an agreement.

[DER SPIEGEL] The chief of the Soviet Army's Northern Group of Forces, Colonel General Victor Dubinin, has already stated that unless Poland signs an agreement that is convenient to the Soviets, he would cross Poland even without an agreement.

[Bielecki] This is what one might describe as an example of a conflict of opinions between the military and the politicians.

[DER SPIEGEL] In Poland or in the USSR?

[Bielecki] In Poland the Army serves the well-being of the people.

[DER SPIEGEL] Your government has received surprisingly wide support in the Senate and the Sejm. Even the former communists have declared that they will support you. Does Poland not need an opposition?

[Bielecki] We have an official opposition, even in the Sejm. The parliamentary group of the Democratic Union, the party that supports Mr. Mazowiecki, has stated that it would be a constructive opposition.

[DER SPIEGEL] Poland's new President, Lech Walesa, repeatedly stated in his election campaign that he will have a strong say in the government's work. Will Poland now be governed from the Belweder, the seat of President Walesa?

[Bielecki] If Poland were to be governed from the Belweder, I promise that I would first of all let your magazine know.

[DER SPIEGEL] That is kind of you. Walesa has also announced that he will set up a political council of some

200 members that will include all political forces. Will this be a shadow government or a supragovernment?

[Bielecki] No. The political council is mainly intended to express the president's wish to have a broad discussion on the new political order and to include those groups that are currently outside Parliament. It will discuss future elections, election procedures ....

[DER SPIEGEL] ....but these are question that ought to be discussed by Parliament.

[Bielecki] True, but the president would like to include as many political forces as possible in this discussion on strengthening democracy and the market economy.

[DER SPIEGEL] Can you imagine a conflict in which Mr. Walesa and you are of a completely different opinion?

[Bielecki] I think that such a conflict is not only perceivable in my relationship with Mr. Walesa. The trick is to solve such conflicts through compromises without giving up one's own identity.

[DER SPIEGEL] So far the Constitution has not offered a very clear definition of presidential rights and powers. Who would have the final say if there were a conflict in this connection?

[Bielecki] But the constitution does establish the powers of the president. Yet, one may discuss whether this system is transparent enough. Unless one accepts compromise as a general principle for the solution of controversial questions, then one must note that the president is commander in chief of the Armed Forces. This means that in case of doubt he will certainly have the final word.

[DER SPIEGEL] The leading figure in your cabinet is quite obviously Finance Minister Leszek Balcerowicz, who has already served as finance minister and vice prime minister in the previous cabinet. He retains his offices and it is said that he will also continue his austerity policy. Do you agree to that?

[Bielecki] I have known Leszek Balcerowicz for 10 years. Even at a time when Solidarity was still illegal, we had occasional meetings where we discussed economic questions.

[DER SPIEGEL] Did you have the same opinion?

[Bielecki] We certainly agreed on the most important issues; namely, that the state must help to build up a new economic order—that is to say the market economy.

[DER SPIEGEL] This sounds most unusual for a Liberal like yourself.

[Bielecki] Well, but this is the reality after 45 years of communism. A strict macroeconomic policy does not suffice here. The government must help both the economic enterprises and the working people, otherwise both are bound to fail.

[DER SPIEGEL] Your economic starting point is not exactly a good one. Polish industrial output has decreased by about 25 percent, agricultural production has stagnated, and the number of unemployed now amounts to more than 1 million. How will you stop this downward trend?

[Bielecki] Certainly not by printing new money. On the contrary, we must make better use of our scarce financial resources and use them more purposefully than in the past. The transformation of industry has practically not even started. The state must participate in establishing a market economy. If we see privatization too theoretically, then the conversion of our national economy might take 150 years or more.

[DER SPIEGEL] I do not think that Poland has that much time.

[Bielecki] No, we only have 120 years, at the most.

[DER SPIEGEL] There is at least one aspect in your government declaration where one can recognize a new accent. You said that, as far as privatization is concerned, you will concentrate on smaller enterprises for the time being. Is this because you know what is possible, or because you are afraid of conflicts?

[Bielecki] Thank you very much for finding at least one difference. This is further proof that one must take an optimistic view on life. This shift of stress does not only mean an understanding of what is possible, but it also means there is a need to set up a middle class, which constitutes the basis for a sound market economy....

[DER SPIEGEL] .... and which also includes those people who voted for you.

[Bielecki] This is a matter for the future. I refuse to see my government work linked to issues related to party politics. The so-called minor privatization is intended to provide practical help to those interested, to explain to the people how a sale or an auction has to be organized, in short, to show them the shortest possible way to take assets from an abstract to a concrete owner.

[DER SPIEGEL] The biggest problem is still the about 200 major and unprofitable state enterprises, which even the communists wanted to close down.

[Bielecki] I do not know where this figure of 200 has come from. There are more than 7,000 state enterprises. Before, the communists believed that 1,500 of them are most important. This is what they were fighting for against Solidarity.

[DER SPIEGEL] So, how will you exterminate 7,000 dinosaurs?

[Bielecki] Let us take a simple example: the mines, which have so far not been reached by the economic reform. There it is necessary to make decisions to commercialize profitable mines and to put others on a sound footing. The simple order to close them all down is of no help to anyone.

[DER SPIEGEL] Former Social Affairs Minister Jacek Kuron opened soup kitchens and issued vouchers for cheap meals. Will you now discontinue this social program.

[Bielecki] I think—and the discussion in Parliament has confirmed this—that the policy against unemployment must not focus on the distribution of unemployment benefits or free meals. We must concentrate on creating new jobs, helping the people to find other jobs, to undergo retraining. This has to take place on a regional level, while the state should intervene only in particularly exposed areas.

[DER SPIEGEL] Walesa has sent letters to Western industrialized nations asking them to reduce Poland's foreign debts, which amounts to over 40 billion dollars, by 80 percent, because otherwise Polish reforms would be threatened. Do you consider this to be realistic?

[Bielecki] I do not want to discuss figures. Still, the method of directly addressing the creditors seems to be worthy of discussion. After all, almost all these credits were granted to the communists. For us this should not be a kind of charity but aid that gives Poland a new opportunity to join Europe.

[DER SPIEGEL] Do the Poles feel left alone? Do you think that Poland deserves more gratitude for its role in turning over the communist systems?

[Bielecki] I do not take such emotional appreciation as a guideline. We must make our contribution and show great resolution. Nevertheless, I believe that our activities should meet with sympathy and understanding on the part of our neighbors. Mind you, we have already received such signals.

Bielecki Interviewed on Future of Government

AU3001150691 Warsaw GAZETA WYBORCZA in Polish 28 Jan 91 pp 10,11

[Interview with Prime Minister Jan Krzysztof Bielecki by Anna Bikont and Danuta Zagrodzka; place and date not given: "I Am a Man of Practice"]

[Text] [GAZETA] Professor Stefan Kurowski described your Sejm expose as a victory for those who were defeated: It contained more that pointed to a continuation rather than to a radical break or the acceleration that was promised in the election campaign. Do you not believe that society should be provided with a explanation for this shift?

[Bielecki] It is fine for journalists to talk of continuation and radical breaks. If someone says that there has been too little of a break with what came before, he should indicate precisely what form such a break should take. Does it mean that there should be no checks on the budget? That would mean a return to rampant inflation, because, after all, inflation has not been eliminated but only reined in. It would also mean a return to printing money that has no backing in the form of an increase in the provision of goods and services.

[GAZETA] We were always in favor of continuing the difficult policies of the Mazowiecki government. During the election campaign, however, expectations were fueled to the effect that everything could be accomplished quickly and easily. These hopes have now been dashed and that is bearing fruit in the form of strikes.

[Bielecki] First, your interpretation of the causes behind the strikes is, to put it tactfully, an oversimplification. It implies that if there had been a continuation of Mazowiecki's policies, then there would be no strikes. That is not the case, indeed the opposite would seem more likely. We have to restructure and privatize the economy more rapidly. We have to create new principles for the conduct of negotiations to win over society and make it an ally of reform. We have to create an opportunity for people to become economically active.

Of course, hopes cannot be based on money of little real worth. I think the first three months of this year are of key importance for Poland. We either succeed or face the threat of a return to some kind of communist or post-communist economy.

[GAZETA] Is it as grave as that? So, what has to be done during this period?

[Bielecki] The government must rapidly create conditions that will promote the emergence of a market economy.

We have to solve the problem of reducing Poland's debts toward the end of March and the beginning of April. That seems realistic. It is something that impacts directly on our prospects for the future. There literally is a one-to-one correlation in this respect.

We also have to prepare a three year adjustment program.

[GAZETA] Will there be any changes in our position on arrangements previously agreed with the IMF and the World Bank?

[Bielecki] In 1990 we had a stabilization program. What is now expected of us is a program for effecting the transition to a market economy. The recognition that the program will earn will determine whether we get the six to eight hundred million dollars for restructuring.

If we succeed in this, then after the end of June (when the World Bank's new financial year begins) we will have an enormous opportunity to get further billions. There is also no doubt that a time frame for associate membership of the EEC should be settled. This would boost Poland's credibility as a country offering favorable conditions for foreign investment.

[GAZETA] So, everything that is important is connected with the outside world. We are very dependent on the rest of the world.

[Bielecki] Dependent is not a good word, because it would seem to imply a lack of sovereignty. I see things as follows: Until now, Polish society has valiantly supported the government in going over from one system to another. Now what we need is greater support from outside.

The balance of payments for last year shows that foreign investment in Poland, measured in terms of "cash liquidity," as the commercial code expresses it, amounted to $10 million. Those countries that have scored successes in restructuring their economies have been attracting investment running into billions rather than millions. Without help from outside, no country—regardless of whether it is Spain or Malaysia—is in a position to rapidly attain the levels that its society hopes for.

[GAZETA] But what can the government already offer those who were counting on there being no unemployment, that there would be no Balcerowicz, that there would be no Western capital, and that everyone would get 500 million zlotys?

[Bielecki] I do not accept that way of presenting things. You simply do not like Poles, you bear a grudge against them, and you portray them as being backward.

[GAZETA] It was not I but one of the candidates for the presidency who chose to take that view of the electorate and pursued an appropriate campaign. I am simply giving a condensed account of the promises that were made at the rallies.

[Bielecki] That is just your assessment. Walesa launched an election campaign so important changes could take place in Poland. They were not to be based on a political monopoly, and they were not to be based solely on invisible market forces, because it has transpired that that gives rise to a feeling of helplessness.

For example, the industry minister cannot assess an enterprise solely on the basis of economic criteria. The bankruptcy of the plant at Starachowice means that the town will have an unemployment level of 40 percent. The state must perform an active role in the construction of the economy and not just stand back and watch what they will do in Starachowice. This is because they will not do anything alone. They have to be helped.

[GAZETA] Who should help them? Should they be helped out of the budget? You are betraying your ideals as a liberal.

[Bielecki] They should not be helped out of the budget, but should be helped by the state....

[GAZETA] The state is the budget, and that budget is short of funds.

[Bielecki] Providing extra money is not enough. Suggestions should be made to people about what they should do, or decisions should even be made for them. We should not wait for the market to regulate things. So we should either say that the factory will be put through a recovery program, or we will close the factory down and bring in foreign capital. There should be a lightning effort to place the factory on another track, or it should be broken up into smaller components.

[GAZETA] Who should do that?

[Bielecki] One prime minister and five ministers are not enough. Teams of people who think and act along similar lines will have to be set up at the facilities themselves. They exist, we just have to find them, and there is even money for that.

[GAZETA] So, what is lacking?

[Bielecki] What was probably lacking was the will to do things this way.

We are all in a race against time. We may find the classic approach to privatization fascinating, but the absence of domestic capital compels us to seek substitute ways that are unworthy of a liberal to speed up the creation of a new ownership group.

This is what prompted the idea of creating an artificial form of capital by means of distributing privatization coupons. Privations by means of coupons is a great subject, a great achievement, and a great revolution....

I was speaking to a German delegation a while ago. They talked about the solution as if it were a Czechoslovak achievement. They asked if we were at all familiar with it. That was amusing, because the idea of privatization based on coupons came out of Gdansk two years ago and Klaus, the Czechoslovak finance minister, discussed the idea with people from Gdansk connected with the Congress of Liberals.

[GAZETA] When will it be possible to carry this out in Poland?

[Bielecki] I think it is a question of months.

[GAZETA] Will you still be in office when it happens?

[Bielecki] Thank you very much....

[GAZETA] After all, you set yourself a fixed period of time....

[Bielecki] What matters is not whether I or somebody else is in government, but that they should think along similar lines, that they should not be advocates of some kind of third path that leads to the Third World.

[GAZETA] Will this kind of broad distribution of ownership lead us to efficiency? Are our expectations not too great?

[Bielecki] Essentially, I reject the possibility of directly transferring coupons to people who will then be able to run enterprises by virtue of possessing the coupons. Small investors provide no complete answer for privatization. Even in the West, where people are much more able to live in a market economy, they only account for between 8 and 12 percent of ownership. That is why joint investment associations are needed as well as a whole system for trading in these coupons. Only once this in place will it become possible to achieve the goal of making enterprises function better. Otherwise, privatization will not make any sense; it is not just an idea that is being presented for its own sake.

[GAZETA] The previous government was also toying with the idea of distributing coupons, but it did not get around to doing so because it is not something that can be done in an offhand way.

[Bielecki] The whole problem is that things need to be done and not just talked about. The period of catch phrases that sound right, on the whole, is over.

[GAZETA] Perhaps it was a mistake not to begin with some form of small scale privatization. You place a lot of importance in that.

[Bielecki] Once again, the problem is that catch phrases need to be translated into concrete actions. We have run into certain obstacles—assessing the value of assets and the question of how small-scale facilities should be sold. A complete approach has to be proposed so that people in township "X" or "Y," where there no experts, know what to do.

[GAZETA] So, it is also a longer term task. Actually, it is not clear what a government that has so little time can actually achieve.

[Bielecki] It can establish priorities. Jacek Kuron said at the last meeting of the Council of Ministers (a rather strange meeting, because I chaired it, but the government was still the old one) that principles have to be formulated for the conduct of negotiations with central union institutions to avert dangers. There has to be a rapid response team so there is no impression that the government will not yield any ground unless pressure is stepped up and there is a strike alert.

As for housing—the term construction was a communist invention—we need a couple of months at most to amend the civil law code and to change the form that mortgages take and the land register so that mortgages can be used to finance the building of apartments. This will provide a legal basis for solving the housing problem.

Until now, more concern was shown for people who already had homes than for those who are still dreaming of one. If resources are limited, then there should at least be a choice of alternative proposals.

A small scale privatization or at least a handbook or guidelines on how it is to be carried out should be ready by February.

Then the situation in Silesia has to be addressed in a fundamental way. This will have to based around allowing good and profitable coal mines to choose the path of becoming a commercial operation and allowing those that are inefficient or in difficulty to implement a recovery program.

There are also a number of enterprises at least 27, that are so dependent on trade with the USSR that they are experiencing serious difficulties today. This is also an area where some decisions have to be made.

What we will shortly propose will not be a collection of grand catch phrases, but a philosophy of further concrete moves or what is described as a "case-by-case" approach in English.

The most important thing is that the government should be able to quickly show people that something is changing about their lives and that opportunities are appearing. This certainly does not have to mean that large sums of money are being made available.

A few days ago I had talks with miners' representatives, and they complained that for months they had been waiting in vain for government assistance to restructure the mining industry. When there is no sign of tangible change, when there is less and less money, what emerges is apathy, indifference, and even hostility.

Poland has to be built in a way that will satisfy people, because they will be living in state that is wealthy and efficient, a state where there is respect for work, dignity, and basic values.

[GAZETA] When you told the Sejm that tariffs would be imposed on the import of foodstuffs, the farmers applauded you. On the other hand, people in the towns look on in horror as they see food prices rise. What will you do if farmers once again occupy the agriculture ministry.

[Bielecki] One has to act in a way that will ensure that they do not. A financial infrastructure has to be developed—because without one there can be no good agriculture—and assistance has to be given to those who want to provide services in the countryside. In addition, our border is not, to put it mildly, completely sealed off.

[GAZETA] So, you want to erect tariff barriers?

[Bielecki] Tariff barriers are unacceptable because they are incompatible with the liberalization of foreign trade. We can, however, discuss the introduction of temporary protective tariffs for specific goods. After all, we cannot import poor quality foodstuffs that will compete against Polish produce. Agriculture operates according to long cycles, and one has to proceed very carefully. Dismantling the monopolies in the environment surrounding agriculture has also become a hackneyed slogan, but it is an area in which vigorous action has to be taken.

[GAZETA] In an interview for GAZETA GDANSKA, you said that the key to success is to reach a compromise with Leszek Balcerowicz. What has cooperation between you two been like during the last two weeks?

[Bielecki] We have cooperated with one another for the last 10 years. By compromise, I meant putting aside our initial views on appropriate candidates or how government should work and concentrating on our ability to reach joint agreements. It would be more difficult if I were also a macro-economist and an academic. I am a pragmatist, and for me macro-economic parameters are signals for an enterprise. I am very aware how they react to them. I analyzed the behavior of several enterprises; namely, how changes in these parameters—exchange rate fluctuations, for example—affect their behavior and condition. I have stored the results on computer. Thus, in reality, we complement rather than clash with one another.

[GAZETA] In November 1989, the Liberal Congress had no considered answer to the question: What would you do if you came to power? Your reply was: Nowhere in the world are there liberals in power. Our role is to stimulate people to think. What do you say now?

[Bielecki] Nothing new. We have not taken over power. The facts bear out our earlier views.

[GAZETA] But four members of the Liberal Congress are in the cabinet.

[Bielecki] One journalist has put it rather wittily: There are three parties and one newspaper. Our aim was different; namely, to form a good team of people who understand one another and support the principles of market economy and democracy.

[GAZETA] What is the common denominator between Mr. Chrzanowski, Admiral Kolodziejczyk, and Janusz Lewandowski, your friend?

[Bielecki] Mr. Chrzanowski is not in the government as head of the Christian-National Union. He wants to preserve his own identity and he is fully entitled to do so. We, on the other hand, have not entered into any kind of alliance with the union. What is important is Chrzanowski's standing in the legal profession. Admiral Kolodziejczyk is a special example. The Polish Army is not yet ready to accept a civilian appointee as defense minister, and we were guided more by the need to give it a feeling of stability, and not by criteria we might have wanted to use.

[GAZETA] In his POLITYKA interview, Jaroslaw Kaczynski cautioned you against "chartering" yet another train from Gdansk to Warsaw bringing more of your friends from the Liberal Congress. Is the Liberal Congress your sole base of political support? What about the Center Accord?

[Bielecki] First, the Liberal Congress is only a part of the Center Accord because some of its members are also members of the Accord. Second, I interpret it as Kaczynski's friendly warning that there may be a possible Warsaw reaction against too many new faces coming down from Gdansk.

[GAZETA] In one of your interviews you said that Mazowiecki's government was not a government of law, because laws must be enforced. For many people this is synonymous with destroying the nomenklatura companies and making it impossible for communists to get rich quick. As a director of the cooperative "Doradca"—whose head was a Polish United Workers Party member—you are presumably not a supporter of using extreme measures to settle old scores.

[Bielecki] First, a correction: Jan Kuligowski was and is a man of the greatest standing. His party membership never got in the way of his high moral standing. He proved it in 1988 when the whole management board of "Doradca" was arrested by the Security Service, and he offered to stand a surety for us.

Second, I was never a director of "Doradca," because as you no doubt know, there is no such thing as a director in the law on cooperatives.

The interpretation of settling old scores is another, vast subject. We should be guided by principles of legality and not swayed by our emotional reactions. If there has been a breach of the law, then of course one is free to use "the axe" to get to the bottom of the issue. Very often, our law is helpless and "Igloopol" [an agricultural concern whose transformation into a company caused controversy] is the best example. The Ministry of Justice appealed to society to expose nomenklatura companies. We have a total of 60,000 companies and we have only had 200 responses to the appeal. Society is frequently turning a blind eye, and this is another communist legacy.

[GAZETA] In your opinion, are directors from the old days nomenklatura or much needed professionals? The uncertainty of their position is having a detrimental effect on the future of state enterprises.

[Bielecki] Slogans are always dangerous. In commercialized enterprises there will be new directorial elections and this will solve the matter. The same director might, of course, be reelected, however. He is, however, the sole person that loses his service contract the moment the enterprise is commercialized. The changes should come slowly and be in step with the implementation of further reforms.

[GAZETA] Andrzej Micewski, former adviser to Lech Walesa, said in the "Interpelacje" program that he supported Tadeusz Mazowiecki because you do not look like a statesman. As the first prime minister of the Third Republic, do you not feel out of place?

[Bielecki] I am a normal person. I have always tried to act naturally. To be a statesman, am I now supposed to become stiff, not shake hands with people, and ignore certain things? I have no intention of creating an artificial image of myself that does not conform to my real personality.

[GAZETA] Mazowiecki said he was not going to be a puppet prime minister. He disagreed with the "Solidarity" chairman about the composition of the government, and that was the start of the conflict. Now President Walesa has chosen the ministers in your government.

[Bielecki] I do not want to discuss who did what, who appointed whom, and who influenced this or that. It does not matter. Nor does it matter if someone says he is a puppet or not. Life itself reveals this.

[GAZETA] What does it reveal? Do you not feel dependent? What is the president-prime minister relationship like?

[Bielecki] In practice, as long as the government does its job properly, the president will not interfere. If the government does a bad job, then, knowing the presidents's temperament, he will be here very quickly.

[GAZETA] The "Gdansk alliance," which consisted of excellent activists, including liberals, lost in the local government elections against Walesa's citizens' committee. Is that the reason that the Liberal-Democratic Congress backed Walesa in the presidential election?

[Bielecki] In the local government elections, we merely wanted to display our candidacy. It did not matter whether we should support or oppose Walesa. Unlike other well-known persons, we said at the very beginning that the citizens' committees are no way to build democracy in Poland.

There is a fundamental difference between us. You deal with political analyses, who governs whom, and what the results of this are. What matters to me is what the country needs. If you were to forget about the political contest for a while and adopt my way of thinking about creating chances for energetic people, we would have a far better atmosphere in this interview.

We did not bet on a racehorse. We simply believed that Walesa would lead Poland in the right direction. Of course, you in GAZETA did not agree. GAZETA is fond of talking about anti-Semitism, but are the Poles really as bad as that, or does poverty force them to display nationalism and other negative features? We have to build this country. If I thought otherwise, I would still be in Gdansk quietly smoking my pipe.

[GAZETA] The government's task is to build the country, and a journalist's task is to complain loudly when things are bad.

[Bielecki] Well, one certainly cannot complain any louder than you.

[GAZETA] If you are a manager, how is it you only have a tiny Fiat?

[Bielecki] I have a ready reply to that question, because my wife keeps asking it. During martial law, I earned a living by delivering timber by truck. At the same time, I acted as a liaison man for the Temporary Coordinating Commission ("Solidarity's" underground authorities). So sometimes I had to escape from work and let someone take over for me. If we had started to privatize our "Doradca" ["Adviser"] cooperative in 1985 like a lot of other people did, i.e. semi-legally, my position as co-owner would be far better today.

When we started, all we had was a desk, which I inherited from my grandmother, plus a night light, which served as a desk lamp, in a rented room. Today our assets amount to several hundred million zlotys.

In 1988 we were caught smuggling printing equipment from Sweden to Poland in large trailers, an operation half our firm was involved in. As a result, we were subjected to fiscal controls for 6 months, and our people were interrogated. They never discovered anything wrong with our accounts, except for a misplaced bill for 2,500 zlotys. Aware of the dangers, we acted strictly according to the law. Even so, we achieved a lot. The fact that it did not affect my material status is not so important.

[GAZETA] When GAZETA WYBORCZA asked you as a parliamentary candidate what you wanted to achieve in the Sejm, you replied: 'I will fight for free elections in four years' time.' Now when do you think they should be held?

[Bielecki] The Parliament is odd, and it is time it changed. On the other hand, the government wants to do some work. Regardless of how much time we have, we have to work faithfully and adhere to the rules.

I am an optimist. When I sought employees for my old firm one year ago, I could not find anyone. Young people were more interested in going to the West. This year there have been 20 applicants, at least 10 of whom are cleverer than me. They spoke two languages. They never asked how much they would earn, only whether the work would offer them any chances of career advancement.

Our activity will naturally finish when democracy emerges triumphant. But whether that occurs in May or in the autumn depends on the will of the government and on pressure from society.

Foreign Minister on Soviet Troops, Baltics

AU3001114191 Warsaw GAZETA WYBORCZA in Polish 24 Jan 91 pp 10, 11

[Interview with Foreign Minister Krzysztof Skubiszewski by Edward Krzemien and Marek Rapacki; place and date not given: "Nothing About Poland Should Be Decided Without Poland's Participation"]

[Text] [GAZETA] The Latvian foreign minister recently referred to a statement that Shevardnadze allegedly made last October. Shevardnadze reportedly said that if the Soviet Army and Party-military complex begin to use force, they will not stop at the Baltic countries but will proceed to Central Europe to try and win back what they lost there.

[Skubiszewski] No, I am not afraid of any Soviet military action against Poland, Hungary, or Czechoslovakia. The changes are so far advanced that no military action can stop them and the West, especially the United States, would not tolerate such an action. NATO is a part of the European security system and cannot remain indifferent toward any threats to Central Europe.

That does not mean that the geographic borders of NATO have changed; however, with the coming of independence to Poland, Czechoslovakia, and Hungary and the changes to Romania and Bulgaria, not to mention the unification of Germany, the European setup has altered. NATO's role in this new setup has also altered. That organization cannot remain indifferent to what is happening in Central and Eastern Europe. The events in Lithuania and the other Baltic republics are causing anxiety among various circles that deal with international politics, but I think the USSR will not go beyond a certain limit of activity. That limit is our eastern border. So I do not share your fears, gentlemen, but still we must be careful.

[GAZETA] Talks on the withdrawal of Soviet forces from Poland and the transit of forces from the former GDR have reached a deadlock.

[Skubiszewski] As far as the text of the two agreements on this subject between Poland and the USSR are concerned, there is no deadlock. The only problem is the date of the withdrawal. To be honest, no date has been decided upon, and only if this state of affairs continues will one be able to talk of a deadlock.

The Soviet side has not agreed to our suggestion of completing the withdrawal of the Soviet forces by the end of 1991. In any case we are flexible, and we can accept delays, but the USSR should make itself clear on this issue.

Was it possible to bring about an earlier withdrawal of the Soviet forces? No, gentlemen, it was out of the question. It is only possible to discuss this issue in the present international situation. This situation has its ups and downs. Right now, it is down.

The Polish Government submitted its demand for the withdrawal of Soviet forces in April 1980, after which we prepared ourselves for this topic very carefully. In the summer we conveyed two notes to the USSR. In October I discussed the subject with Minister Shevardnadze, and he completely agreed to the withdrawal and to talks. We began the talks in November. One thing is sure: The USSR was not in any hurry to hold them. Anyone could see that this was a very difficult topic and that no Polish demand would resolve it, not even from the most authoritative person's lips.

Because of the domestic situation in the USSR, it is now being said that it was a mistake to conclude agreements about withdrawing the Soviet forces from Czechoslovakia and Hungary. One cannot view matters in terms of mistakes; one has to view them in different categories. The Soviet presence in the independent countries of Central and Eastern Europe is now an anachronism. Soviet forces are not needed there to protect any Soviet interests. Soviet security will be fully guaranteed by means of good European cooperation, and the question of whether the Red Army should be on the Elbe or the Bug River is meaningless. The presence of two divisions in Poland, air force groups, and certain individual units is of no military significance .

Nevertheless, the Army has its own way of thinking, most of it antiquated, which I do not hesitate to call Stalinism. Stalinist thinking involved a desire for territorial gains, an expansion of Soviet borders, and a military presence. Today, such an approach yields nothing at all. One can have far better security and considerably better economic cooperation if one is not controlled by any other country and one has good relations with independent countries.

Sooner or later the Baltic countries will have independence, only it will take a long time. I fear that Vilnius thinks it is a straightfoward process. It cannot be achieved by means of a single declaration of independence. It requires an effort lasting many years.

[GAZETA] Poland insists that the Soviet forces leave Poland before they leave Germany, but the Soviet Union wants its forces to leave Germany first. A delegation from the USSR Supreme Soviet recently tried to convince our parliamentary deputies about the correctness of the Soviet view. Now there is talk of a forthcoming visit by Soviet Defense Minister Yazov, who will probably try to make us change our minds.

[Skubiszewski] Marshal Yazov is probably not coming yet. The military talks will have to be held in any case, but the issue will be decided by the political talks now being held by the Foreign Ministry.

We think the Soviet forces should be withdrawn from Poland before the huge evacuation of the Soviet forces in Germany in 1992-93. The evacuation should be completed in 1994, but I expect it to be completed sooner. In any case, the idea of the Soviet forces leaving Poland only after they have left Germany is quite unacceptable.

That is why the Polish Government proposed an earlier date for the withdrawal: the end of 1991. We did not want the Soviet withdrawals from both countries to coincide.

One should add that the Soviet forces in Poland are not numerous. Due to public pressure, their withdrawal is an internal political problem, as it were. But their presence is not part of any political pressure. There has not been any such pressure.

[GAZETA] Will the continued presence of these forces in Europe not make our access to Europe more difficult?

[Skubiszewski] Neither the Council of Europe nor the EEC are questioning our sovereignty. If we had already held the parliamentary elections, we would now be a member of the Council of Europe, even though the Soviet forces are still in Poland. This problem may arise later, especially during the integration of Western Europe; therefore, our links with Europe also necessitate the withdrawal of the Soviet forces.

The presence of foreign forces in a country with that country's permission does not violate that country's sovereignty, especially with such a small number of troops, otherwise one would have to say that Germany is not a sovereign country because there are so many American and Soviet troops there.

[GAZETA] Our Lithuanian friends do not want the Soviet forces in Germany to be evacuated by the so-called northern route. The Lithuanians wanted to express this desire in Warsaw. Yet that is exactly the route we are choosing as the only suitable transit route through Poland.

[Skubiszewski] First, I have never heard of any such Lithuanian desire. If there had been one, it should have reached us. I have spoken to Lithuanian Foreign Minister Saudargas several times and we discussed the most varied matters, but never did this subject come up.

We cannot look after the interests of all others. Even so, we have gone further than other countries concerning Lithuania. From the point of view of Polish requirements, the northern route is the best one, and it is these requirements that we have to mainly consider. The route the Soviet forces take when leaving Germany has no effect whatsoever on Lithuania's fortunes. By the northern route, one can direct one or two divisions via Lithuania. It would only take a few hours.

There have also been various Soviet accusations about us blocking the transit of Soviet troops. They are untrue. Routine military transits are taking place, just as they have done for years. There are two, even three trains a day.

The latest difficulties concerning unscheduled transits arose purely through the USSR's fault, because the USSR does not want to conclude a transit agreement with Poland. It should be concluded at the same time as the agreement on the withdrawal of the Soviet forces.

One cannot have a situation where a train arrives at the border and the driver calls out: "We are coming through now." This has to be arranged with Poland beforehand, not just with Germany. I fear that the military people in Moscow do not understand that, but they will have to. The sooner they understand it, the better for our relations, because our relations must be good. They must be tidied up.

Let me add that we have done both the USSR and Czechoslovakia a favor by agreeing to the transit of Soviet forces from Czechoslovakia via Poland by the southern route. We will also do Germany a favor. Everyone wants the Soviet forces in Germany to leave, but that has to be arranged beforehand.

[GAZETA] Was Poland's refusal to admit two Soviet military trains recently just an incident?

[Skubiszewski] When we were told with just a few days' notice about a large number of extra transports, I replied that without an agreement, there can be no transports. First we will conclude an agreement, and then there will be transports, I said. That is logical and quite acceptable to our partners. That was my decision, and the prime minister confirmed it.

When trains arrived at the border without any documents or permits, we did not let them through. When one train was let through by mistake, I said we should not turn that into a problem. The train was also carrying passengers, and we would have caused them difficulties.

[GAZETA] Another Lithuanian complaint is that the Polish-Lithuanian declaration is being prepared too slowly. We already have such declarations with Russia and the Ukraine.

[Skubiszewski] I do not think the Lithuanians bear a grudge against me for not going there when I visited Moscow as a guest of the USSR Government in October, and later when I traveled as guest of the government of the Russian Federation and visited Minsk and Kiev. I accorded Lithuania separate treatment on account of its reformist aims. Please notice that in various declarations we accord Lithuania a separate, different status. So they should not harbor any complaints.

As for the declaration with Lithuania, let me tell you that Minister Saugardas has been to Poland five times, if not more. He has never invited me to Lithuania! What do you make of that? How are we to interpret it? I have had no invitation from Vilnius to this very day. I would have to make them issue an invitation, and I should not make a neighbor invite me, especially if we are kind to him and help him, even at the cost of our own affairs.

We have prepared a draft Polish-Lithuanian declaration, but the text requires discussions and visits. It also requires an explanation concerning the situation of the Polish minority in Lithuania. In Lithuania, too, bad things are going on which are making some of the Poles there oppose Lithuanian independence. They who sow the wind shall reap the whirlwind.

Let us be frank. The things that are happening in Lithuania concerning Polish affairs are often highly disappointing. Why are Polish names on gravestones being given Lithuanian spelling? Why has the tomb of Archbishop Cieplak, martyred in a Soviet prison during the Second Polish Republic, been bricked up? Because he was a Pole? Why has the memorial tablet to Wladyslaw Jagiello in Vilnius Cathedral been removed? Is it because Jagiello did a bad thing, because he joined Lithuania to Poland? None of these things should happen.

I would expect the Lithuanians to be more broad-minded than that. I would expect them to have a better view of our relations than nationalism. Unless these elements of nationalism disappear, our relations will not be good.

Gentlemen, I am viewing all these things from a great distance, but do not be surprised that they are worrying a lot of Poles in Lithuania and Poland. That is society's opinion.

[GAZETA] But are we not succumbing to dialectics of mutual grievances? It would seem that it is up to us to settle these grievances, because we are already independent and far bigger and more populous than Lithuania. That is why the Lithuanians have an inferiority complex toward us, and that is the reason for their nationalism.

[Skubiszewski] One has to view various Lithuanian attitudes in the right proportions. It is easy for me to do so because I receive many letters criticizing me for being so friendly to the Lithuanians. Therefore I reject dialectics, including dialectics of mutual grievances. I think what I have said is a rational explanation.

[GAZETA] The tense situation in the USSR has encouraged closer cooperation between Poland on the one hand and Czechoslovakia and Hungary on the other.

[Skubiszewski] Cooperation with Czechoslovakia and Hungary is good in its own right, but it has its own framework, and is dependent on the East and on the West.

In view of the changes in our region and what is happening in the USSR, our countries must tighten their bonds, but they are not doing enough in that direction. The long interval between the Bratislava meeting and a new summit meeting is quite incomprehensible.

We are counting on a Warsaw-Prague-Budapest triangle. We have no conflicts with these countries. The squabbles with Czechoslovakia about tourist traffic and pollution (pollution having been cleared up to some extent) are not the same as differences concerning strategic objectives and aims.

The triangular relationship between our countries is important on account of our relations with the USSR. It is also important for the West because it proves our ability to conduct regional cooperation. It may show that our countries are capable of cooperation and that they want more than just Western commodities on favorable terms.

I am also greatly in favor of Polish-Czechoslovak cooperation. The time will come when our aims will be united. Even if I am no longer foreign minister, someone else will continue the work. I am also a great supporter of Polish-Hungarian cooperation.

Bratislava was President Havel's idea. The trouble is that nothing has happened since then, and ideas like this quickly lose momentum. Poland took the lead at the meeting, we had to inspire Prague and Budapest to be more energetic.

The Bratislava conference should have been followed by a Bratislava declaration, but it never was. A certain executive apparatus, or at least an advisory body, should have been set up, but nothing came of that either.

[GAZETA] Does that mean that Poland is the guiding force behind the triangular relationship? Has pressure from the West, EEC, and United States not had any effect?

[Skubiszewski] I view Poland's role in sober terms, in the correct proportions, and I do not think I have performed any special services in this regard. I think foreign circumstances, in the East and in the West, have played a role. But the value of this cooperation is also appreciated in Prague and Budapest. The foreign ministers' meeting on 21 January confirms it. The meeting was a great success.

[GAZETA] We have said a lot about external factors influencing Polish foreign policy. There are also political changes at home. A strong center of presidential authority is being formed. During your hearings before the Sejm Foreign Affairs Commission prior to the formation of the Bielecki government, you said you valued cooperation with Bielecki's predecessor because you never wasted any time on arguments about cadres and responsibilities. Will your situation be more difficult now?

[Skubiszewski] Yes, the structure of authority has indeed changed, but the ministry is functioning the way it has been. There can be no change. Well, no second Foreign Ministry has been created, and I do not think it will be created. If it is, I will be out of work.

Right now things are proceeding satisfactorily. In particular, my cooperation with Secretary of State Ziolkowski is good.

The president is, of course, an individual and also has his own views about foreign policy. We will see what happens. But a coordination of activity by the head of state and the government is still a thing of the future.

One should not view these things with concern. If disputes arise, they will have to be resolved. In many countries, foreign policy is the product of activity by various centers of authority. There have been major conflicts abroad.

[GAZETA] In conclusion, would you care to discuss your working philosophy? Many observers accuse you of being to calm in the face of dramatic events. Is there no need for an acceleration of our foreign policy?

[Skubiszewski] We will discuss the implementation of policy some other time. I am not calm toward events—they take up a lot of my time and consume a lot of my health and energy. Surely calm is a desirable quality. As far as acceleration is concerned, there are times when acceleration is necessary, but it does not depend on us alone. There must be cooperation with our foreign partners. In view of the circumstances, I do not think there have been any major delays in Polish foreign policy since 12 September 1989. The Foreign Ministry is maintaining a steady rhythm in negotiations with the EC. We can thank Secretary of State Jerzy Makarczyk for that.

Action Against USSR General Dubinin Urged

PM3001170191 Warsaw POLITYKA in Polish 26 Jan 91 p 5

[Marek Henzler article: "Brandishing the Barrel: After General Dubinin's Statement"]

[Text] On 15 January this year ZNAMYA POBEDY—the paper for the Soviet troops stationed in Poland—printed a statement by their commander, Colonel General Viktor Dubinin, issued several days earlier in Moscow during the third round of Polish-Soviet talks concerning Soviet troops' withdrawal from and transit through Poland. Once the statement has been published in the paper, it became a public declaration and acquired official status.

Gen. V. Dubinin accused the Polish side of treating Soviet troops as an army of occupation and wanting to escort them out of Poland as prisoners of war, "in locked and sealed railroad cars, disarmed, and carrying no military equipment," thus bringing dishonor on the army which liberated us and vanquished the Nazis, which "returned East Pomerania, East Prussia, and Silesia to Polish people to hold in perpetuity, and also established Poland's western border along the Odra and Nysa [Oder-Neisse]," and which, moreover, acting out of internationalist duty, for 45 years "protected and defended your country without charge."

We could, at a pinch, abstain from refuting the above points in a polemical reply. I am surprised, however, to see that to date Polish authorities have failed to react appropriately to a further passage in the statement where the Soviet general declares point-blank that "if the Polish side disagrees with the Soviet protocol governing questions concerning legal and financial matters as well as those concerning property, and if it fails to show goodwill, the Soviet troops will in any case enter the territory of that great power, the Soviet Union, according to our own plans and moving along the routes we have mapped out ourselves. And then we will be responsible only for the life and welfare of Soviet citizens, and we will disclaim any responsibility for the Polish side." The statement concludes with an assertion that until such time as Soviet troops withdraw in full from Germany, "there can be no talk at all" of any withdrawal of Soviet troops from Poland.

Gen. V. Dubinin did not arrive in Poland yesterday, and we can assume he is aware of the 1956 agreement—still in force—between the Polish and Soviet governments. Article 1 of this agreement states that "Temporary stationing of Soviet Armed Forces units in Poland may not in any way infringe the sovereignty of the Polish State, nor may it lead to their interference in the internal affairs of the Polish People's Republic." Article 2, paragraph 2 stipulates that "movements of Soviet troops within the territory of the Polish People's Republic outside the sites where they are stationed will in all instances require the consent of the government of the Polish People's Republic or the appropriate authorities empowered by that government." Gen. Dubinin's statement challenges both these points of the intergovernmental agreement and constitutes a wholly unjustified threat of an infringement of our sovereignty, to be carried out if Poland does not alter its stand on the question of withdrawal and transit passage of Soviet troops.

Some might say that the abovementioned statement by the Soviet general should be regarded as the dregs of the old, imperialist way of thinking as well as an expression of a divergence of opinions on issues of international policy between the Army and the politicians even within the USSR itself. However, Gen. Dubinin's position is not just that of commander of Soviet troops in Poland, but predominantly—as he even stressed in his statement—that of Soviet government plenipotentiary for matters concerning Soviet troops' stay in Poland. This is why we must not underestimate or minimize the weight of his statement. We should take a stand on it according to diplomatic protocol, which allows for a variety of forms in which a reaction may be expressed: from passing the issue over in silence right through to declaring a representative of the foreign government persona non grata...

Cooperation With Hungary, CSFR Advocated

AU3001133691 Warsaw ZYCIE WARSZAWY in Polish 26-27 Jan 91 p 5

[Ewa Boniecka commentary: "Poland Plus Two"]

[Text] The Budapest meeting of the foreign ministers of Poland, the CSFR, and Hungary, initiating trilateral cooperation between the three states—cooperation that is designed to foster stability in Central Europe and strengthen security—is an event of the highest importance in the development of post-cold war structures on the European continent.

The West is not going to do it for us, although it must be said that NATO's role in stabilizing security in Europe has taken on new meaning since the collapse of the old divisions on the continent and German unification.

Negotiations on dissolving the Warsaw Pact are regarded as an internal matter for the Warsaw Pact member states, and this point was stressed strongly by NATO Secretary-General Manfred Woerner during his visit to Warsaw. The same principle applies to the problem of Soviet troop withdrawal from Poland, the CSFR, and Hungary; namely, the issue is subject to bilateral negotiations between the governments of these countries and the USSR. Only Germany—which specified conditions for the Soviet pullout from the former GDR—can count on strong political support from its partners in the Atlantic Alliance, because it is a NATO member.

It is obvious that Europe's new democratic architecture has no place for a Soviet instrument of domination over Central and Eastern Europe; for example, the Warsaw Pact. Even the West has expressed its political opinion on this particular issue. Putting it into practice, however, rests squarely on the shoulders of the interested parties.

This raises the question: How should the dissolution of the Warsaw Pact be negotiated with Moscow, and what is to replace it in the military field? It is precisely here that Polish-CSFR-Hungarian COOPERATION becomes an absolute necessity. Coordination of their separate efforts gives them a very strong hand in their negotiations with Moscow, creates strong political pressure to have the Warsaw Pact's military structure dissolved by July 1 1991, and subsequently, permits the liquidation of the Pact well before the March 1992 CSCE conference in Helsinki.

The answer to the question "What happens afterwards?" is still being elaborated in Warsaw, Prague, and Budapest. There is no lack of unofficial ideas being presented in the West. During his stay in Warsaw, Henry Kissinger spoke of creating a neutral military zone consisting of Poland, the CSFR, and Hungary. Only the respective national armies would operate in this zone.

Neutrality is a lofty word that carries various political meanings. Swedish neutrality is very different from Finnish neutrality. The most important thing for European security and, in a broader sense, for international relations, is to build friendly relations with NATO and the USSR (or the organism the USSR will transform into) throughout the whole Eastern and Central European strategic area.

In Budapest, Minister Skubiszewski correctly emphasized that trilateral cooperation did not imply a desire to reinstate a "protective cordon" to the west of the USSR but was only an element of the all-European system of democratic relations. The mechanisms that will provide the natural framework for the emerging Polish-CSFR-Hungarian partnership are the CSCE and the resolutions in the Paris Charter for a new Europe that were solemnly signed in November 1990 by the leaders of the United States, Canada, and Europe. The institutions that are being set up to strengthen the CSCE system in Europe (a secretariat in Prague, a Center for Crisis Prevention in Vienna, and a Center for Free Elections in Warsaw) are still in their preparatory stage. This process must be speeded up.

It is made more urgent by the disturbing turn of events in the USSR, the violations of the charter on the protection of human rights and the right of nations to self-determination in the Baltic republics, and the crucial importance of measures that advance the development of all-European security in the present phase of the changing military landscape in Eastern and Central Europe.

The summit of the presidents of Poland, the CSFR, and Hungary, scheduled for July 1991, will herald the development of real cooperation between the three countries that are most advanced in their political and economic changes. After the many years of facade relationships, the task ahead is overwhelming. One of the priority tasks is to cooperate to strengthen the national security of these countries and to dismantle the structure of military dependency on the Kremlin.

Way Forward for Citizens' Committees Viewed

PM3001151791 Warsaw RZECZPOSPOLITA in Polish 22 Jan 91 p 2

[Interview with Wojciech Wlodarczyk, secretary of Lech Walesa's citizens' committee, by Tomasz Roguski; place and date not given: "Committees Want To Bring Forward Election"]

[Text] [Roguski] On 6 January a conference of citizens' committees proposed that the next parliamentary election be brought forward. Why?

[Wlodarczyk] All the forces which supported Lech Walesa in the last parliamentary election stipulated an acceleration of the necessary changes in the administrative apparatus and essential transformations in its lower echelons. Today, none of these proposed changes are noticeable. Perhaps this is because it has been impossible to effect their implementation in such a short time. Many activists believe—probably correctly—that the present composition of Parliament is another obstacle to bringing these changes about. This is why the committees resolutely insist that the Sejm and Senate elections be held as soon as possible—perhaps around the end of May—and intend to take an active part in them.

[Roguski] Should this not be the responsibility of political parties? Both Zdzislaw Najder and yourself have been pursuing the concept of political differentiation within citizens' committees. Does the present, concerted burst of activity around the election not attest to the failure of your idea?

[Wlodarczyk] There is no relation of dependence between the work and decisions of Lech Walesa's citizens' committee, which I head, and those of the conference of citizens' committees. The conference carries out its own, independent work, and our suggestions remain our suggestions and nothing more than that. Besides, the conference has no power to impose its decisions on local citizens' committees. All we are trying to do is make sure that the citizens' movement is not hijacked by one political option alone. Although citizens' committees deal mainly with local concerns, it would be out of order to ban them from pursuing higher political ambitions and engaging in wider-ranging political matters.

Over the past few weeks there was a visible increase in the citizens' committees' activity. It would appear to me that this is also a reaction to the insufficiently clear and determined action by party activists—action which should ideally constitute a response to the current feelings of disillusionment prevalent among the population.

Some members of Lech Walesa's citizens' committee believe that as soon as the committee is disbanded, or as soon as local citizens' committees are in some way restricted in their activity, their political clientele will automatically lean toward existing political parties, and committee activists will actually join these parties. This diagnosis is wrong. Voivodships which have strong committees also have strong political parties. Wherever committees are absent, political parties are absent too.

Citizens' committees continue to represent a considerable political force today. Furthermore, although our ultimate aim is to create a democratic system based on political parties, we must also take this force into consideration. Consequently, it would be a mistake to do away with the committees: It could give other political forces an opportunity to hijack them. We must encourage committee activists to declare in favor of more precise programs and better defined political forces, that is, political parties—provided that the parties are equal to the task. The memory of the Communist Party legacy, however, is another obstacle here. Any attempt to undermine or eliminate the committees—such as the one undertaken after June 1989—is likely to cause the opposite effect to that which was intended.

[Roguski] During the presidential election, most of the citizens' committees voted in favor of Lech Walesa. Does this mean they are politically homogenous?

[Wlodarczyk] No. I believe that some 50-60 percent of people active in citizens' committees are in one way or another involved with the Center Alliance or are in sympathy with its political course. Around 30 percent favor the concept of citizens' committees remaining "pure" and involving themselves primarily with local matters, which is not to say that they have no higher ambitions connected with universal human concerns. The remaining percentage is divided between the Christian National Association [ZChN], Citizens Movement for Democratic Action [ROAD], and various smaller groups. Naturally, the ZChN, or, to be more precise, the Citizens' Christian Movement, commands a very strong position in a number of voivodships, but it is still not to be compared with the two major blocs, the center and the local. In addition, several new Szczecin and Lodz delegates connected with the ROAD group attended our latest conference.

[Roguski] Do you expect citizens' committees to nominate their own candidates?

[Wlodarczyk] The fact that the citizens' committees intend to take an active part in the election does not guarantee that they will always want to act as protagonists in them. Their involvement will vary depending on the region. For example, in several voivodships, such as Tarnobrzeg or Wloclawek, the committees can be expected to nominate their own candidates—in the latter case, this will most probably be in conjunction with Solidarity.

In my view, it would be better to set up an election alliance between citizens' committees and political parties. Those individual candidates nominated by citizens' committees who accede to Parliament will have no backup there and no clear-cut program. It seems to me that not a single citizens' committee at voivodship level is capable of formulating a realistic and attractive program applicable on a nationwide scale. If we are to effect the creation of such an alliance between political parties and citizens' committees, however, we must first prepare in precise detail a very delicate formula for a preliminary agreement.

In the election itself, the stand declared by regional Solidarity centers will also be crucially important. If citizens' committees nominate their own candidates, they can count on firm support from the union. Whether or not Solidarity takes part in the election and nominates its own candidates will be decided by its National Commission [KK]. I must say, however, that it is very clear that local Solidarity activists sport high ambitions in that direction. Regardless of the way the KK decides, it is more than likely that those Solidarity activists who can count on workers' support will find their way to Parliament under either a citizens' committee or Center Alliance flag.

[Roguski] What kind of electoral law do citizens' committees want?

[Wlodarczyk] They have already declared in favor of proportional representation. If Parliament passes the relevant act, then both individual committees and the alliances they form will be forced to define their positions more clearly.

[Roguski] In 1989 certain candidates supported by Solidarity were, as it were, "supplied" by Warsaw.

[Wlodarczyk] Today, citizens' committees will firmly vote for their own, local candidates. This will be most emphatically enforced. Even the most liberal and politically sophisticated citizens' committees have unconditionally stipulated nominations of local candidates and, however readily they may acknowledge the virtues of candidates from "the center" or from larger centers, they make it clear that it is most unlikely that the latter would win in the election.

Many of the currently serving Sejm deputies and senators are quite unpopular at the local level. This is not because they are actually doing their job badly; the real reason is that, because of past experience, the public is generally unfavorably disposed toward all actions by the authorities. It seems to me that, at a local level, the support offered to currently serving members of Parliament will partly depend on whether local citizens' committees manage to find sufficiently good rival candidates.

Economic Policy 'Neglects Agriculture Sector'

AU3101112691 Warsaw SZTANDAR MLODYCH in Polish 25-27 Jan 91 p 3

[Interview with Senate Marshal Andrzej Stelmachowski by Wojciech Gladykowski; place and date not given: "Time To Wake Up"]

[Excerpts] [Gladykowski] Prime Minister Bielecki defined the economic principles of the new government as "continuation and breakthrough." The promised modifications to the present economic course does not change the fact that our economy is still like a ship in a storm that is being swamped by too much inflationary water. What is your opinion of the specified priorities?

[Stelmachowski] Adjustments were necessary because recession is lasting too long. Naturally, this is the price we have to pay for the program to adapt our economy to the rigors of the market. The price we are paying, however, is too high, and it is time to wake up and tackle recession.

[Gladykowski] Leszek Balcerowicz warned us of the need to make sacrifices. He will also play a decisive role in the new government. If the helmsman of the economy is the same, to what extent will he be able to change course without abandoning his program?

[Stelmachowski] Balcerowicz followed a liberal-conservative course, giving priority to monetary policy. The policy was that the state did not interfere in the economy and people and enterprises must adapt to the market. The tight financial regime rapidly worsened the position of the citizens and small manufacturers, including private firms and farmers. I think that state intervention into various spheres of our economic life will be needed for as long as we have weak banking and financial sectors and monopoly positions in our economy. [passage omitted]

[Gladykowski] Mr. Marshal, I fear that very soon the farmers will begin dumping their potatoes outside the shipyards.

[Stelmachowski] Agriculture was always neglected by successive governments. The Communists and the Liberals do not like farmers. They do not understand their problems. To paraphrase an old Prussian saying: "War is too important to be left exclusively to the generals." One could also say the economy is too important to be left in the hands of economists. The state budget clearly shows that the agricultural sector is being neglected. The size of the funds for the development of agriculture and agricultural foodstuffs processing branch is a direct inversion of the real importance of farmers as food producers and cocreators of Polish culture. Poland has always been more rural than urban, and we did not have such a strong process of urbanization as in the West. Until now, industrial policy has always been more important than agricultural policy. I find this incomprehensible. Along with several experts, I intend to draft a program of adaptation for our agriculture to give this sector the rank it deserves, without, however, breaking the principles behind the systemic changes that are being implemented. The state should also be allocating larger sums of money for the development of the service sector, including tourism. The state, however, prefers to spend vast sums on welfare payments for the unemployed instead of creating new jobs. This is one of the Liberal mottos: Social peace at the price of welfare payments.

[Gladykowski] Creation of new jobs implies stimulation of economic growth, not successive increases of taxes and a tightening of credit provisions. Economically, manufacturers are in a bad way, farmers are striking, and the enterprise spirit is on every street corner with the ever-present street trader.

[Stelmachowski] I have noticed the tendency to raise taxes and make things easier for banks. Banks are already profiting from inflation. Additionally, they are now demanding the repayment of outstanding interest on loans made to the government in the 1970's. I think that budget provisions for the repayment of these arrears should be invested to stimulate the development of certain sectors. The banks do not invest money, they are a repository for money. They have also forgotten about checks and bills of exchange, which enable many people to earn more money, even where they might not have the necessary cash at any particular time.

[Gladykowski] This cannot be an effective alternative to finance long-term projects. Without such finance, it will be impossible to develop certain sectors of the economy that will lift us out of recession. Is money going to be less expensive?

[Stelmachowski] The government's policy on the provision of finance must be coordinated. Banks are presently only offering short-term credit at very high rates of interest. In practice, this credit is adequate, for example, in the trade sector, but there is a lack of medium- and long-term credit at a fixed rate of interest. The availability of such credit will allow us to rationally calculate what to invest in, what will bring in money, and allow manufacturers to establish a market presence for several years, not only for several days. The banks say that a variable rate of interest allows them to survive inflation, but why not apply a low, fixed rate of interest for long-term credit and at the same time keep revaluing the outstanding loan plus interest, for example, using as comparison, the U.S. dollar exchange rate, or the price of wheat? [passage omitted]

Privatization Proposals for Coal Mining Reported

AU3101113391 Warsaw RZECZPOSPOLITA in Polish 28 Jan 91 Economy and Law Section p 2

[Barbara Cieszewska report: "Sometime This Year—Coal Mines For Sale?"]

[Text] I am convinced that the coal mining sector must become an essential part of the market economy, stated the Minister for Ownership Changes Janusz Lewandowski at his meeting with coal miners that was organized by the "Solidarity" National Coal Mining Commission. Miners do not want to remain a part of the old system of inefficient economic-financial structures, subsidies, controlled prices, and so forth. That is why miners came to present their questions on the future of the industry, the government's intentions towards specific coal pits, the country's energy situation, and government strategy toward the mining sector.

Industry Minister Industry Andrzej Zawislak was unable to attend the meeting —he had to attend a Council of Ministers meeting—thus the discussion concentrated on the problems of ownership changes.

Is privatization in the coal mining sector possible and realistic? Minister Lewandowski stated that it would be a very difficult and crucial issue. Presently, the majority of coal mines are making a loss. It is also obvious that no decisions from the top can be imposed by force on the industry. "We must respect the views of the coal mining regions," said the minister. The recent concept of a kind of holding company for all coal mine companies, which was presented by the Supervisory Council of the State Coal Agency, met with total rejection by the "Solidarity" factory committees, who saw the project as an attempt to revert to the bad methods of managing coal mines that would lead to a complete loss of business independence.

Minister Lewandowski also had doubts whether that proposal in fact gave the State Coal Agency too much power. It would control production, wages, prices, and other things. "This would be another coal mining monopoly that favored pits that had done nothing to improve their efficiency. It would be further proof that it is not worth trying to make any sort of effort in Poland," said the miners. The director of "Piast" (Poland's largest coal mine), tried to make known the dramatic situation the industry was in: "The coal mining industry is vegetating. We are only producing what is sufficient for survival. If current government policy toward the sector does not change, we shall all be ruined. This is the result of the present forms of management. Today, the mines are without decisionmaking centers. They have become self-governing enterprises where the director is closely supervised by the workers' council. The holding company concept is worth discussing, but any decision-making center will be better than present anarchy. I hope that there is an acceleration of privatization."

Minister Lewandowski pointed to the need to reinstate the role of the director, the trade unions, which, after accomplishing their historic role, should return to their traditional role of protecting the factory crews, and self-management committees. We must find a way to privatize the core of our economy, the 80 percent of our economy that is composed of medium and large state enterprises, he said. The minister considered that there was a good chance that the idea of free capital bonds for all citizens could be finalized and debated in the first half of 1991.

Privatization of coal mines cannot come to a stop when they are changed into single shareholder companies owned by the state treasury. This is only the beginning. At present, the coal mines should do their preparatory work and think of setting up private companies to start taking over the "peripheral areas" of coal mining activity, excepting coal extraction. The miners were glad to hear that their sector will get large credits from the World Bank for sector restructuring. This credit will be subject to interest that will be six times lower than similar interest on credit charged by Polish banks.

Everything seems to point to the fact that the coal mining industry will be included in the privatization process, although it will be a more difficult operation than in other branches of industry. Answering a question from RZECZPOSPOLITA whether privatization of the coal mining industry was still an abstract problem, the minister replied that this was no longer so. Thus, everything seems to point to the fact we may see Poland's first private coal mines before the end of 1991.

Iliescu Leaves for Official Visit to Italy

AU3101113991 Bucharest Domestic Service in Romanian 1100 GMT 31 Jan 91

[Text] President Ion Iliescu left this morning for an official visit to Italy, at the invitation of Prime Minister Giulio Andreotti. During the visit, Mr. Ion Iliescu will meet with President Francesco Cossiga, Prime Minister Giulio Andreotti, Foreign Minister Gianni de Michelis, the presidents of the Senate and the Chamber of Deputies, leaders of political parties, and businessmen. During the visit, which will last until 2 February, President Ion Iliescu will meet with Pope John Paul II in the Vatican.

Adviser Comments Prior to Visit

AU3001163791 Bucharest ROMPRES in English 1605 GMT 30 Jan 91

[Text] Bucharest, ROMPRES, 30/01/1991—Referring to the forthcoming visit Romania's President Ion Iliescu is to pay to Italy over January 31-February 2, the presidential adviser for foreign policy, Ioan Mircea Pascu, shows in an interview with the daily "ADEVARUL" that it is the first official visit the Romanian head of state pays to a developed European country.

Mentioning that the relations between Romania and Italy have a long-standing tradition deeply rooted in common Latinity, the presidential adviser refers to the economic collaboration underscoring that projects are under way between Romanian and Italian firms. Likewise, in view is the re-technologization of certain enterprises as well as cooperation ventures in production and in the sphere of commercial relations, he says. We attach particular importance to our ties with Italy in the present-day European and world context, Mr. Ioan Mircea Pascu notes, stressing that Italy supported Romania at all European institutions in 1990.

Showing that Italian Foreign Minister Gianni de Michelis was one of the major factors that contributed to the favorable stands Italy took at European fora and on a bilateral plane as regards Romania, the collocutor highlights he is also author of the so-called pentagonal initiative which aims at dissolving the big multinational structures and at forming groups of states which seek to give a new content to inter-European rapprochement. In the context, the presidential adviser specifies there is a group of states encompassing Austria, Czechoslovakia, Italy, Yugoslavia and Hungary, seen as a counterweight in the conditions of the changing balance of forces in European politics from the East to the center. Romania shows interest in such a group of states, Mr. Ioan Mircea Pascu points out, assessing that President Iliescu's visit to Italy will be an opportunity for more thorough discussions along this line.

Reportage on Visit

WA3101154691

For reportage on the visit by President Ion Iliescu to Italy, please see the Italy & Vatican City section of the 31 January West Europe DAILY REPORT and subsequent issues.

Roman Makes Statements on Visit to Paris

AU3001225591 Bucharest ROMPRES in English 2055 GMT 30 Jan 91

[Text] Paris, ROMPRES, 30/01/1991—Romania's Prime Minister Petre Roman concluded his visit to Paris where he was received today at the Elysee Palace by President Francois Mitterrand and conducted talks at Quai d'Orsay with Foreign Minister Roland Dumas.

Our agenda included current international aspects as well as aspects of the Romanian-French cooperation. We have approached virtually all the major world questions: the Gulf, the Baltic countries, European construction. There were, as I said, the main questions regarding the cooperation between Romania and France, industrial projects, the French state's financial guarantees for these projects, ways of expanding Romanian-French cooperation and relations. One experiences a pleasant feeling when a country like France manifests an actually complete willingness toward Romania, stated the Romanian premier at the end of the talks held in the French capital city.

President Mitterrand expressly explained why in January he had postponed the visit he was to pay late this month. Therefore he wanted to explain that that had no negative significance and was closely linked to the state of war France is in. President Mitterrand explained hat he was not leaving even Paris these days. We have agreed that it would be best to come to Bucharest in April—since no solution to the Gulf crisis is foreseen, he said.

The Romanian prime minster returned to Bucharest in the evening.

Roman Interviewed; Denies Arms Sent to Moldova

LD3001160791 Paris Antenne-2 Television Network in French 1200 GMT 30 Jan 91

[Interview with Prime Minister Petre Roman by Stephane Manier on 30 January; place not given—recorded]

[Text] [Announcer] The visit to France by Romanian Prime Minister Petre Roman, who is seeking to rehabilitate his country after the incidents in recent months. [sentence as heard] This morning Stephane Manier recorded an interview with the Romanian prime minister for Antenne-2. Let us listen to Petre Roman:

[Roman] You know, this rehabilitation, which was in part necessary, can, after all, only happen as a result of developments recorded in Romania. These developments now exist and they demonstrate well that the events in June were a last thrust in a series of political confrontations that have no chance of happening again in our society and in the democratic process that we are now registering in Romania. It is true, on the other hand, that by coming to Strasbourg, it was really a matter of integration, of harmony in Europe, and that the parliamentarians in the parliamentary assembly in the Council of Europe were able to hear as much as they wanted—if I dare say so—on the basis of a large number of questions, to hear what the situation in Romania is like, and what the replies of the current government are to the political problems, aligned in its replies on the standards of the Western countries. In this sense, I think it is a success.

[Manier] Do you think another incident with the miners could happen again?

[Roman] Well, obviously it is [words indistinct]

[Manier] What do you think of Mr. Gorbachev's policy in the Baltic countries, of his paramilitary interventions?

[Roman] I think the hardening of the regime, the effects of which have been seen in the Baltic countries, is doomed in the short term, even in the short term; in any event, it is doomed in the long term. So, it is necessary to recognize that the lower powers, the local governments, have a decisive importance in the development of these countries.

[Manier] If it is not recognized by the powers in Moscow, what are you going to do?

[Roman] Yes, I think the central powers are in the process of recognizing these local powers. They are obliged to do this because the local powers are recognized by the people themselves.

[Manier] It is said that even arms are coming from Romania to Moldova for the separatists?

[Roman] No, that is not true because it would really be much too serious a matter in the current circumstances. No.

[Announcer] Mr. Petre Roman had talks lasting an hour with French President Francois Mitterrand this morning. Petre Roman has said the visit that President Mitterrand is due to pay to Romania could take place in April. It had initially been scheduled for the coming weeks, but was postponed, of course, because of the Gulf crisis.

Group of 24 To Grant Economic Assistance

AU3001204091 Bucharest ROMPRES in English 1915 GMT 30 Jan 91

[Text] Brussels, ROMPRES, 30/1/1991—A spokesman of the Common Market's Commission announced that Romania was accepted on Wednesday to benefit from the assistance the Western Countries members of the Group of 24 grant to Eastern European countries to relaunch their economy. High officials of the group, gathered in Brussels, ratified that decision adopted on principle by G-24 already last December. Likewise, on 17 September 1990 the 12 Common Market member countries had decided that Romania benefit from the assistance of the Group of 24, giving up their opposing the signing of a trade and cooperation accord between the Common Market and Romania.

For 1991, the Common Market envisages the allotment of about 820 million ecu, that is over one billion dollars, to its action within G-24.

Commercial Agreement Signed With DPRK

AU3001161991 Bucharest ROMPRES in English 1524 GMT 30 Jan 91

[Text] Bucharest, ROMPRES, 30/1/1991—A commercial and payment agreement between the governments of Romania and the DPR of Korea for 1991-1993 and a commercial and payment protocol between the two countries' governments for 1991 were signed in Pyongyang on January 27.

The documents were signed for Romania by Mr. Napoleon Pop, secretary of state in the Ministry of Trade and Tourism, head of the Romanian delegation to Pyongyang, and for the DRP of Korea by Mr. Song Hui-chol, deputy foreign trade minister.

Mr. Napoleon Pop was received by Mr. Kim Tal-hyon, vice chairman of the Administration Council, chairman of the Committee for Economic Relations and Foreign Trade Minister of the DPR of Korea.

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* Iliescu Interviewed on Return From China

91BA0229A Bucharest TINERETUL LIBER in Romanian 18 Jan 91 pp 1, 2

[Interview with President Ion Iliescu by Mircea Florin Sandru; place and date not given]

[Text] At the end of his Asian tour, which included an official visit to China and contacts with officials in Islamabad and Delhi, Mr. Ion Iliescu kindly answered several questions for our daily's envoy Mircea Florin Sandru.

[Sandru] Mr. President, the series of official contacts you began last year featured an Asian tour this time. At your press conference in Beijing you announced that in the course of this year you will also respond to other invitations you have received. Naturally, as diplomacy and the practice of interstate cooperation require, visits by leaders are preceded or followed by meetings among groups of experts or specialized commissions to fine tune all the details and to monitor subsequent exchanges and cooperation. On behalf of the readership of TINERETUL LIBER I would like to ask whether young competent elements will be represented in such groups and commissions and in economic exchanges in general.

[Iliescu] Of course, and when we talk of young people I have in mind a more comprehensive action. On the one hand, I am thinking of young people active in our economic, scientific, and cultural life who, I think, will be the dynamic factors for promoting the reform and for our future development. As we see, substantial changes are taking place in our economy, in its structure, and in the organization and leadership of the national economy at both macro and microlevels. We need to breath a new spirit into each economic unit and to promote interest in efficiency, in a competitive technical level, in key technologies, and in highly efficient managerial systems such as exist in the modern world. I count on young people to promote these criteria because they are well educated and have the necessary openness and receptivity for the contacts we will develop with various countries and foreign firms.

Thus, on the one hand I think that young people, young cadres around the age of 30, who have the required experience—in other words, are familiar with production or with research and design activities and have the necessary talents to develop into future economic leaders—will play an important role even in governmental commissions, in direct economic contacts, and in the steps we will take to promote exchanges of experience and to shape future managers.

On the other hand, I am thinking of shaping future cadres. Consequently, the participation of young professionals in the unfolding of scientific, technical, and cultural cooperation will feature exchanges of students, youths, and graduates and their participation in advanced training courses as one aspect of bilateral agreements.

[Sandru] Does this apply to the group of experts who will go to China in the wake of your visit?

[Iliescu] This, of course, is an immediate question; on 25 January a group of experts will go to China for 10 days to study China's experience in promoting economic reform, which began 10-12 years ago and which is being continued with typical Chinese tenacity and consistency, especially in the coastal areas, where they have interesting achievements. I was sorry to have to cut short our visit because of the events in the Gulf. Initially we had planned to stay four days, two of which we planned to spend in Canton and the coastal area, where an interesting experiment was carried out. Previous visitors to China told us very interesting things about that area. I had also read reports on that experiment in the international press; our Chinese hosts also told us about the good results obtained along that line. The group of experts who will visit China toward the end of the month will study particularly that experiment having to do with incentives granted to foreign capital and firms from developed countries for the purpose of organizing "joint ventures" [last two words in English], as we call them, with a view to promoting key technologies in those areas as pilot stations of the reform and seeking means of achieving representative projects and models of organization of production units and services at competitive international levels, as well as forms of cooperation advantageous to both foreign firms that invest capital and to the Chinese economy. International cooperation and drawing foreign capital are decisive for our efforts to attract foreign capital and especially for the process of modernizing the industry, which has notable fixed assets that we must better utilize. From this viewpoint, China's experience can be useful to us.

[Sandru] Mr. President, so you do believe that the presence of young people is necessary in the area of economic contacts and cooperation. Do you intend to express this viewpoint in future summit dialogues and to implement it?

[Iliescu] It's a good idea. In point of fact, I have not evaded this issue until now, either. I noted that there have been exchanges of students even in China, meaning at a great geographical distance from us and in spite of Romania's currently modest possibilities. There are 20 Romanian students in Beijing and 20 Chinese students in our country. There are forms [of cooperation] available and we must promote them in our relations with developed countries and with countries like the PRC.

Iliescu on Current Economic, Political Situation

AU3101095091 Bucharest Domestic Service in Romanian 2015 GMT 30 Jan 91

[Report on interview with President Ion Iliescu by unidentified television announcer in Bucharest on 30 January—recorded]

[Text] [Announcer] Tonight, Mr. Iliescu granted an interview to our television station and talked about subjects of major interest for the Romanian public.

In connection with our country's current situation, Mr. Ion Iliescu said that 1991 will undoubtedly be a year dominated mostly by economic difficulties and by the necessary efforts to vigorously promote the implementation of the economic reform. Romania's president also mentioned the fact that he asked the government to prepare a report for the Parliament regarding the stage reached in drafting the law and measures for the application of the reform as well as a plan for action for the current year, a plan that should reflect the way in which the government considers appropriate to take actions to overcome difficulties.

Furthermore, our country's president referred to the proliferation of the phenomena of corruption in society, considering that citizens' requests for firmer measures by the state bodies is justified and admitted the need to apply the criteria of competence and moral integrity in hiring and promoting state employees and dignitaries.

In connection with various commentaries which emerged when the reports of the commissions in charge of investigating the March 1990 Tirgu Mures events and the 13-15 June Bucharest events were published, Mr. Iliescu mentioned that it is necessary to show a complete objectivity when examining facts, to establish as correctly as possible the causes that led to those events and establish ways to avoid the emergence of similar outbursts. He also believes that joint efforts are needed to reestablish the mutual confidence and understanding in order to ensure an appropriate climate for living side by side.

In connection with the report on the events of 13-15 June in Bucharest, President Ion Iliescu said that dissatisfaction with the late date at which the drafting of that report was carried out is justified and emphasized the difficulty to reached joint conclusions. President Iliescu mentioned the fact that the theories upon which representatives of certain parties based their statements—which were published throughout 1991, claiming that the leadership was the one which provoked all acts of violence in the pre-electoral period and the act of 13-15 June—are groundless.

Further, Mr. Ion Iliescu said:

[Iliescu] I notice that an artificial inciting of passions in connection with the investigation of December 1989 events continues under various forms. I agree that greater efforts should be made without reservation to seriously investigate and discover the truth in connection with these events which understandably concern the whole Romanian society. In this respect, I have already turned to the relevant bodies—the Ministry of Interior, Prosecutor's Office, and Court of Justice—to jointly examine the progress of those investigations and present a report to Parliament. This fact was maliciously characterized by some people as the president's interference in the activity of the respective bodies. At the same time, everything that is done incorrectly or is not done well, regardless of the sector where such things happen, is forcefully attributed to the president. I agree with the displeasure felt in connection with the fact that the investigation failed to establish the identity of those who fired at people last December in Timisoara, Bucharest, Cluj, and other towns and that among those who were arrested as suspects, so far not one single person could be identified as guilty of those acts of terrorism and crime which claimed so many victims. Likewise, I agree with the discontent expressed in connection with the way certain trials were organized and held, the accusation of people involved in only secondary acts, something that gives us the feeling that the basic issues and the essential responsibilities are being avoided.

The investigation and the legal bodies are duty bound to focus their attention on these aspects and radically improve their activity and make them increasingly effective; however, I cannot agree with certain insinuations and groundless speculations included in Mr. Brucan's recent statements. Mr. Brucan also made certain remarks which are not in accordance with the reality and which insult the Army—namely, saying that the Army sided with the Revolution only after General Militaru was appointed as head of the Ministry of National Defense, while it is known that the Army sided with the citizens in Timisoara as early as 19 December and in Bucharest on 22 December, immediately after General Milea's suicide was announced, that is before Ceausescu fled. General Militaru was appointed minister only on 24 December, especially as a result of General Guse's weakness and nervousness. This does not mean, however, that we underestimate General Militaru's merits.

As you know, General Militaru was actually promoted to Army General. Unfortunately, General Militaru did not know how to gain the support of the officers' corps, particularly the young ones. At the end of January 1990, as we all know, there was a strong trend against General Militaru in the Army, which was also expressed at a meeting with the staff of the Defense Ministry, in the presence of the general himself. It is this that led to General Militaru's release and the transfer to the reserve, not other considerations, as insinuated by Mr. Brucan.

Concerning General Diaconescu, his release from the post of deputy prosecutor general came later, after an examination of the activity of the Prosecutor's Office that took place at the headquarters of the Executive Bureau of the Provisional National Unity Council [CPUN], where criticism was leveled at the Prosecutor's Office and measures were suggested to renew its personnel, including the replacement of the deputy prosecutor general who held that position since prior to December 1989. As Mr. Popa, the current prosecutor general, said, this had nothing to do with the investigations conducted by the Prosecutor's Office in Timisoara and Cluj, investigations that were not hampered by anyone.

Mr. Brucan's statement—attributed to Mr. Mugurel Florescu, deputy prosecutor general—that the dossier put together by General Diaconescu had vanished, was proven wrong: Mr. Mugurel Florescu denied that he made such a statement. It is incomprehensible what is the purpose of Mr. Brucan's gratuitous and unfounded statements.

[Announcer] In connection with differences that have emerged between the executive and legislative powers, Mr. Ion Iliescu said that this controversy is being overdramatized and that such disputes are normal in a parliamentary system. He emphasized the need for a more active dialogue between the government and Parliament, to jointly search for ways and means to facilitate the promotion of laws and establish priorities without resorting to labeling and mutual accusations.

In conclusion, Romania's president referred to two events in our foreign policy.

[Iliescu] An event of direct interest for us is the meeting of the Parliamentary Assembly of the Council of Europe in Strasbourg, which is also attended by a delegation of our country led by Prime Minister Petre Roman, and the meeting of the Group of 24. We hope that, this time, results will be favorable for our country, which should obtain the status of special guest of the Council of Europe and gain access to its program of social assistance. Now, when public opinion in other countries, international institutions, and governments positively assess the democratization processes in our political life and the efforts to promote economic reform, the attempts of some domestic circles and opposition representatives to negate and trivialize these positive developments and strivings in our country are incomprehensible and can only cause disapproval. They do not serve our common national interests, regardless of various political orientations.

In conclusion, I would emphasize another significance event of our country's foreign policy, namely my visit to Italy, scheduled to start tomorrow [Thursday, 31 January], at the invitation of Prime Minister Andreotti. On this occasion, I will meet and hold talks with Italian President Francesco Cossiga, Prime Minister Andreotti, Foreign Minister de Michelis, Senate President Spadolini, the president of the Chamber of Deputies [name indistinct], and with party chiefs and businessmen. We will also pay a visit to the Vatican, where I will have a meeting with Pope John Paul II. I believe this visit has a particular political importance, as it contributes to furthering our traditional relations with Italy, on a new basis.

On the occasion of my visit to Italy, I would like to take the opportunity to express gratitude for the human solidarity and friendly sentiments expressed by the Italian public opinion and for the humanitarian assistance granted to us by many circles and organizations in Italy. Furthermore, we will express our gratitude for the constant and steady support granted to our country in various European bodies by the Italian Government—like the French and Spanish Governments—throughout this period.

I would also like to emphasize the mutual interest in developing economic relations between our countries. The visit will be another opportunity to discuss new ways and means to expand these ties. As a matter of fact, we already have a good experience in the sphere of cooperation with prestigious Italian firms, which are showing interest in expanding these ties in the new circumstances. We will also express the mutual desire to develop relations in the cultural, scientific, educational, and all other sectors.

I would like to express the hope that my visit to Italy—this is my first visit, as head of state, to a Western country, something that is not by chance—will mark a new opening and beginning for the consolidation of traditional relations of friendship between our Latin countries.

Protest on March 1990 Events Given to Senate

AU3001190491 Bucharest ROMPRES in English 1744 GMT 30 Jan 91

[Text] Bucharest, ROMPRES, 30/01/1990—On Wednesday, January 30 a peaceful demonstration of protest took place in front of Romania's Senate against the content and conclusions of the report of the parliamentary commission inquiring into the March events in Tirgu Mures. The meeting was attended by about 1,000 citizens in Mures, Cluj, Braila, Galati, Satu Mare and Prahova Counties.

A delegation of the demonstrators handed over to the Standing Bureau of the Senate a protest on behalf of the Vatra Romaneasca Union and of the Party of National Unity of the Romanians.

The protest specifies that the report on the Tirgu Mures events on March 20, 1990 which was presented to Romania's Parliament puts the blame on all Romanians in Transylvania who, by the way in which their actions had been judged, consider themselves gravely insulted in their dignity "not because they are Romanians, but because they are denied the truth."

At the same time the protest "requires a fair judgment taking into consideration the truth and the Romanian people's interests, so that the ones guilty of serious destabilizing acts be punished and such acts never happen again. Romania's Parliament is asked to debate not only the report but also the deeds of that commission's members who should be held responsible for this historical falsehood."

The protest also requires the trial of the main inciters among the Hungarian population who contributed to destabilizing the situation in Transylvania.

The demonstrators belonging to the Vatra Romaneasca Union and to the Party of the National Unity of the Romanians after having handed over at the Senate a protest against the report on the events in Tirgu Mures went to the North Railway Station to leave Bucharest. A delegation remained in the capital city to meet with Romania's President Ion Iliescu.

Iliescu Meets Protesting Delegation

AU3001225491 Bucharest ROMPRES in English 2012 GMT 30 Jan 91

[Text] Bucharest, ROMPRES, 30/01/1991—A delegation of Transylvania Romanians representing "Vatra Romaneasca" union and the Party of National Unity of the Romanians [PUNR], was received by President Ion Iliescu at Cotroceni Palace on Wednesday, January 30. The delegates informed the president of the demonstrators' discontent with the report of the parliamentary commission who investigated into the March 19-20, 1990 events in Tirgu Mures.

Referring to the document presented a few days ago in plenum session of the senate, Mr. Ion Iliescu said inter alia: "one should not see in the report made by a group of commission members present in Tirgu Mures an analysis by a representative forum. I consider that, although the report came very late, it was too hastily made public, before thoroughly studying all elements. What pressed us to release it was the need to forward it to the European bodies."

At the end of the meeting, Senator Radu Ceontea said among other things: we took advantage of President Ion Iliescu's kindness to bring to his notice our viewpoints. He admitted that the document belonged to the outdated commission of former PNUC [Provisional National Unity Council—CPUN]. We also received confirmation that Romania is victim of a cavalcade of lies, a deliberate hiding of truth, an attempt to undermine by all means the important levers of the Romanian state.

Correction to Vatra Romaneasca Protests Report

AU3001190291

The following correction pertains to the item headlined "Vatra Romaneasca Protests Report on June Events," published in the 30 January East Europe DAILY REPORT, page 31: Column one, make headline read: Vatra Romaneasca Protests Report on March Events (changing "June" to "March")

Transportation TUs Call General Strike 8 Feb

AU3001230091 Bucharest ROMPRES in English 2006 GMT 30 Jan 91

[Text] Bucharest, ROMPRES, 30/01/1991—"The representatives of the trade unions belonging to the convention of the Free Trade Unions in all branches of railway transports, the Bucharest subway and the rolling stock enterprises, assembled on January 29 and noting that no progress had been made in meeting the requests forwarded to the government on January 9, decided to call a general strike starting 08.02.1991, at 4 a.m.", reads a communique of the Railways Trade Unions, sent to ROMPRES for release.

'21 December' Criticizes Report on June Events

AU3001135291 Bucharest DREPTATEA in Romanian 25 Jan 91 p 3

[Unattributed communique from the "21 December" Association]

[Text]

Communique

The "21 December" Association took note of the content of the two preliminary reports of the parliamentary inquiry commission into the 13-15 June 1990 events and considers that their analysis is vague and confusing, because both reports avoid identification of those guilty for the situation created.

It was claimed that these reports will soon acquire their final form, with the relevant legal evidence supplied. We hope the existence of this evidence will put an end to generalizing accusations, which place all those involved in those events under suspicion.

Although often mentioned, we believe that the demonstration in University Square would have required more careful analysis, because its pre- and post-electoral aspects obviously have a different significance. Taking into consideration the possible consequences of the generalizing accusations included in the reports, the "21 December" Association asks the parliamentary inquiry commission to immediately clarify the situation, by clearly listing the apolitical groups who participated in the University Square demonstration which the inquiry considered as extremist and manipulated.

We express the conviction that only a correct and detailed analysis aimed at exactly establishing the responsibilities of the factors involved in the 13-15 June 1990 events—followed by appropriate measures—will contribute to building the state of law in Romania

"21 December" Association
President, Alexandru Nancu

Trial of Former Top Communist Officials Continues

AU3001165991 Bucharest ROMPRES in English 1635 GMT 30 Jan 91

[Text] Bucharest, ROMPRES, 30/01/1991—In the trial of the former members of the Executive Political Committee of the Central Committee [CC] the Romanian Communist Party [PCR] who stand charges of genocide, continues the hearing of the witnesses for the accusation.

In the January 29 session, the court examined Ion Iancu, former employee of the Ministry of Home Trade, who, on December 17, 1989, starting 14:00 hrs, was on duty at the office of Defendant Ana Muresan, who headed the former ministry. The witness said that right after the arrival of the defendant from the PCR CC headquarters, where she had attended the Executive Political Committee meeting in the afternoon of December 17, Ana Muresan asked him to summon by phone to the ministry the former chief of the ministry's metal-chemical department, Ion Stanciu, and that, after the latter's arrival, in a talk attended also by the witness, the defendant told them, with reference to the situation in Timisoara "that fire was ordered", without mentioning though who had ordered and on what occasion.

Subpoenaed for the same session as witnesses were also Manea Manescu who serves a life sentence passed last year for genocide, Cornel Pacoste, now under trial and held in custody for the same crime, and Ileana Stanciu, former shorthand writer at the PCR CC Chancellory. The witnesses did not show up in court, for reasons of health.

Assessing as most important and relevant the involvement in the Timisoara events of the former secretary of the PCR CC, Ion Coman, who, together with other close associates of Ceausescu, as well as with cadres of the Securitate and the Militia, is on trial for genocide, the court suggested that he be heard as witness for the accusation. The court's suggestion was accepted by the parties (the prosecutor, the defendants' attorneys and the defendants themselves), and the hearing is to be held in the next session, on January 31,1991.

*

Defendants Stefan Andrei, Lina Ciobanu, Nicolae Constantin, Silviu Curticeanu, Ludovic Fazekas, Mihai Gere, Constantin Olteanu, Gheorghe Oprea, Gheorghe Pana, Dumitru Popescu, Constantin Radu, and Ioan Totu appeared before the court.

Defendants Gheorghe David, Miu Dobrescu, Suzanica Gadea, Ana Muresan, Ion Radu, Ion Stoian, Ion Szasz were absent. For them, the court had ruled on previous sessions a reconsideration of their preventive arrest for a limited period for reasons of health, as well as Paul Niculescu Mizil and Ion Toma, who could not be moved to the court.

Based on medical reports, the trial was suspended in December for defendants Constantin Dascalescu and Gheorghe Radulescu, who could not be present in court because of their present health condition.

* Cheler on Violence at Alba Iulia Event

91BA0229B Bucharest LIBERTATEA in Romanian 17-18 Jan 91 pp 1, 2

[Interview with Transylvanian Army Commander General Paul Cheler by Benone Neagoe; place and date not given]

[Text] We were the guests of Lieutenant General Paul Cheler, commander of the Army of Transylvania.

[Neagoe] General, willy-nilly you have become a focal point for our central newspapers and magazines. Why is that?

[Cheler] Parliament decided to observe our national holiday for the first time in freedom on 1 December in Alba Iulia. It fell upon our command to make the preparations for the anniversary, especially regarding the military protocol, of course with the participation of other army units. On 26 November the operations group of the Cluj command informed me that enlisted man Sabau of Salaj County, who served in a border troops unit near Arad, had deserted with his weapon and ammunition, saying he was going to Alba Iulia to settle accounts with someone. We knew that arms and ammunition had been stolen from the Bucharest municipal police station during the 13-14 June events.

[Neagoe] So the celebration in Alba Iulia was in danger?

[Cheler] Any commanding officer, especially one at my rank, has his own system of information. In addition to the items I mentioned before, my information showed that radically different groups of tourists were coming in by bus through western and even northern corssing points, in the sense that in a whole bus there was not one woman, only men between 18-30 years of age. Buses and luggage were superficially checked by customs people, and international transport trucks sealed at the back according to the international system were not checked at all. They could very well have carried arms and ammunition.

[Neagoe] In Alba Iulia I heard talk of trains expected to come in from Timisoara.

[Cheler] I had such reports, too.

[Neagoe] Were they confirmed?

[Cheler] Yes. They were confirmed, because many people of Timisoara did show up in Alba Iulia. We even recognized faces from University Square whom we had often seen on television.

[Neagoe] I want to repeat my question: Was there danger of shooting in Alba Iulia?

[Cheler] Yes, there was such danger. Just like in Tirgu Mures a plan was recently thwarted aimed, in the final analysis, at "settling accounts with someone."

Parliament invited the president of Romania to Alba Iulia, the prime minister, several ministers, the chairmen of all the political parties currently in existence, and the patriarch, who came with his permanent synod. The "enemy profile," as we say, was clear to me. It was not a classical war enemy as when two military camps are pitted against each other, but a hidden adversary. Trained people, who could have been carrying a handgun or a machine gun under their coats, or even a normal, automatic or semi-automatic weapon with telescope.

[Neagoe] So you thought that the communique published in Alba Iulia's UNIREA was absolutely necessary?

[Cheler] I thought it was necessary from a practical viewpoint. It was my decision. I would like to introduce you to a bit of hitting theory to make sure that you understand me right. In my soldiering life I learned two theories regarding hit dispersion. Initially, according to the theory of Lambert Cholevsky, it was thought that 100 hits would be dispersed in a rectangle. Later, Gauss said: "No, it's an ellipse." It seems that the latter was right. Practice has demonstrated that one in 100 hits is uncontrolled.

[Neagoe] What are you trying to prove?

[Cheler] I'm sorry I don't have a photograph of the dignitaries who sat in the bleachers, because I could demonstrate that anyone so wishing could have hit any of the dignitaries, beginning with the president, aiming at his head, as is customary. The uncontrolled shot could well have hit Mr. Coposu, or the defense minister, or the patriarch, or any other person seated at the left or right of the president.

I want to assure all those who in one way or another wrote about me that I was a criminal and that I wanted to open fire on the people, that that is not true. I wanted to do my duty and to protect the officials elected by the people who were seated in the stands on that anniversary and I would have issued the same communique no matter which party had won the elections. Even the UDMR [Democratic Union of Romanian Magyars], or the PNT [National Peasant Party], or the PNL [National Liberal Party], because the Army carries out the policy of the state; the Army is dutybound to defend the leaders elected by the people. Upon examining the lay of the ground around the official stand I realized that anyone with hostile intentions couldn't do it from close up. They could only have shot from a far greater distance, with an automatic weapon, stationed somewhere in a room in one of the apartment houses located 400-500 meters away or even from a balcony, from where the dispersion would have been far greater. That was my calculation.

[Neagoe] You are responsible for the Army throughout Transylvania. Are there reasons for worry at this time in Transylvania?

[Cheler] Of course there are reasons to worry. In Alba Iulia, just as President Ion Iliescu was laying a wreath at the grave of Michael the Brave, Radio Kossuth of Budapest reported live that the Army had opened fire on the population at my order. There are lots of such machinations. Some so-called Romanians, whom I don't view as patriots, years ago signed various documents. Not to mention the gentlemen at Radio Free Europe. In the 1970's they were pitying me; now, after the revolution they accuse me. Let's also remember all those who made various declarations which they now deny. So it's only natural they are booed when they want to speak in public. In Cluj, for example, Mr. Doru Braia said that if he were to come to power he would have to liquidate at least one million of the former RCP members. During the 16-21 period in Timisoara the figure dropped to 100,000. So how can the people applaud him when he comes up with such threats?! Let it be clear, I am a soldier. We carry out the policies of the state but as a citizen entitled to vote I have my options, too. As commander of the Army of Transylvania I have sworn allegiance to the people. As long as I am active, my troops have assured me that they will observe their oath. That is why in October in Carei we retook our oath of allegiance to the country, the people, and our ancestral land. A gentleman journalist from a Hungarian language publication in Cluj anxiously asked me why we carried out exercises on Szekler land at Christmas. We did the exercises before Christmas because we had a plan. For us, the troops training plan is a state plan." The state provides us with fuel, ammunition, and all the other materiel. Our response to the state is in our level of training, which must be very good.

You should also know that while we were carrying out exercises or tactical maneuvers we uncovered young ethnic Hungarians who were preparing for what? For diversion! Because those who want to get military training are enlisted when their turn comes, are called up for training without being pulled out of production in other forms. No one stops them from taking the test for our military schools. We now have Hungarians among our troops in Transylvania. In point of fact, at 0900 on 1 December they told me that Budapest was broadcasting that the Army had opened fire at my order. You should know one thing: Neither I, nor those who were at the monument, paraded, or stood in front of the official stands had any bullets on them. At the units of the Alba Iulia garrison, the day shift, the guards, and the intervention forces, God forgive me, that is our regulation! [as published] We have regulations and orders from the ministry; the Army is the Army and it has to guard its installations.

Presidency Session Opens; Leaders Attend

LD3101101691 Belgrade TANJUG Domestic Service in Serbo-Croatian 1003 GMT 31 Jan 91

[Text] Belgrade, 31 Jan (TANJUG)—Yugoslavia's political future is the only topic on the agenda of the SFRY Presidency session today. The session, already under way in the Palace of the Federation in Belgrade, is being presided over by Borisav Jovic. In addition to the SFRY Presidency members, the session is also being attended by the president of the SFRY Assembly, the president of the Federal Executive Council, and all the presidents of the republics—i.e., the presidents of the presidencies of the republics and provinces.

Presidency Session Deferred

LD2701114691 Belgrade TANJUG Domestic Service in Serbo-Croatian 1051 GMT 27 Jan 91

[Text] Belgrade, 27 Jan (TANJUG)—The SFRY Presidency's Information Service today announced that the session of the SFRY Presidency—on Yugoslavia's political future and ways of overcoming the crisis—will be held on 31 January instead of 28 January as originally scheduled. The presidents of the SFRY Assembly and the Federal Executive Council have been invited to the SFRY Presidency session, as well as the presidents of republics, republican, and provincial presidencies.

The date of the SFRY Presidency session, according to the information service, was moved so all those invited could take part in the discussion. Had the original date been kept, the predictions are that "some of those invited would not have been able to attend for objective reasons and because of pressing duties." At the same time, the information service stresses that it is the wish of everyone to take part in the continuing dialogue on Yugoslavia's political future, which the SFRY presidency started on 10 January, and that is why the session was postponed by three days.

Federal Government Upholds Croat Demobilization

LD3001224891 Belgrade TANJUG in English 2155 GMT 30 Jan 91

[Text] Belgrade, Jan 30 (TANJUG)—The Yugoslav Government upheld today the activities the federal secretariats of national defence and internal affairs have carried out so far in the realization of the decision made by the State Presidency last Friday.

The Presidency demanded on January 25 that all paramilitary units in Croatia be demobilized and disarmed - at the same time as the Yugoslav People's Army (YPA) [JNA] would call off its full combat readiness.

The Yugoslav Government's information secretariat said today that the government had instructed the federal defence and interior ministries to inspect and report on the realization of the presidency's demand on the demobilization of the police reserve force in Croatia.

The statement points out that the views of the government on the subject were identical with those of the Yugoslav Presidency, which is why the government issued no announcements on it.

The government also concluded that in cooperation with competent judicial organs in Croatia all necessary conditions should be created for the process of establishing the responsibility of those suspected of involvement in the illegal importing and possession of firearms, as well as violations of other laws, to proceed in a fully legal manner.

It was also announced that the Yugoslav Government today presented to the State Presidency and the Federal Assembly a platform setting out the conditions needed for the federation to function in a transitional period. The platform will be discussed at tomorrow's meeting of the Yugoslav Presidency, which will also be attended by the presidents of all Yugoslav republics and provinces.

Federal Prosecutor Assails Croatian Prosecutor

LD3001172791 Belgrade TANJUG in English 1624 GMT 30 Jan 91

[Text] Belgrade, January 30 (TANJUG)—Yugoslavia's Federal Public Prosecutor Ljubo Prljeta said today there was no legal basis for the Croatian prosecutor's request for custody of civilians from that republic undergoing criminal proceedings at the Zagreb military court for preparing armed rebellion.

"Criminal proceedings for that crime, notwithstanding whether it is committed by civilians or military personnel, comes under the jurisdiction of military judicial authorities," Prljeta said in today's statement to TANJUG.

He added that the legal proceedings were proscribed by the law on military tribunals and other federal laws.

Of Croatian Prosecutor Zeljko Oljuic's claim to "primary jurisdiction," Prljeta said he could not explain why Oljuic voiced the claim "despite explicit and clear legal regulations on the jurisdiction of military judicial authorities."

Prljeta said the federal court is the only civilian court authorized to evaluate the legality of decisions passed by the highest military courts and added that he expects the Croatian parliament body "whose jurisdiction includes appointing and dismissing the republican prosecutor" will pass judgement on Olujic's behaviour.

Prljeta said Olujic's letter to the military prosecutor's office made agreed cooperation between Croatian and military judicial authorities more difficult in the investigation.

That cooperation was requested by the Yugoslav State Presidency and promised by Croatian President Franjo Tudjman.

Oljuic's letter demanded he be handed "all evidence on the indictments against the suspects." It also demanded that the Croatian prosecutor's office be informed in future of investigations and other proceedings against Croatian citizens before they are started.

Federal Group Talks With Bosnian Officials

AU3101101291 Sarajevo OSLOBODJENJE in Serbo-Croatian 16 Jan 91 p 1

[E. Kantardzic report: "Support for the Efforts of the Federal Executive Council"]

[Excerpt] During the talks Ante Markovic, member of the Federal Executive Council [FEC], had with Jure Pelivan, prime minister designate of Bosnia-Hercegovina, and Bosnia-Hercegovina Assembly President Momcilo Krajisnik, support was given to the efforts that the FEC made with a view to ensuring conditions for the functioning of the system until the final agreement is reached about future relations in the Yugoslav community.

Particular support was given to measures aimed at ensuring a unified Yugoslav market and to the opposition to partial measures contrary to the law and constitutions introduced by individual federal units.

It was also pointed out that everybody in Yugoslavia must be very disciplined in meeting their financial obligations, particularly their obligations to the Federation. Bosnia-Hercegovina is one of the rare republics with no debts to the federal services and institutions—in fact, it demands from the Federation more than 5 billion dinars in total. Because of the grave economic situation in Bosnia-Hercegovina, the republic has demanded that a certain part of these debts should be urgently paid to it.

Members of the Federal Government taking part in the talks were Zivko Pregl, Vlado Kambovski, and Sabrija Pojskic; from Bosnia-Hercegovina, Presidency President Alija Izetbegovic; Marko Ceranic, former prime minister and present vice president; and Economic Chamber President Mensur Smajlovic; the Serbian Democratic Party President Jadranko Prlic; and Croatian Democratic Community President Stjepan Kljujic. [passage omitted]

Country's Imports Increase 7.1 Percent

LD3001190191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1540 GMT 30 Jan 91

[Summary] Belgrade, 30 Jan (TANJUG)—According to the Federal Statistic Institute, Yugoslav exports went up by 7.1 percent in 1990 compared with 1989. In the same period, imports increased by 27 percent. The balance of payments for 1990 was in the red and amounted to $4.563 billion.

Slovene Government on Meeting; Gulf War

AU3001131291 Sarajevo OSLOBODJENJE in Serbo-Croatian 18 Jan 91 p 7

[Z. Odic report: "Control Over People"]

[Text] Ljubljana, 17 Jan—Slovene and Croatian delegations met at Mokrice just a few hours before the beginning of the "mother of all wars" and "the battle of battles", as Iraqi President Husayn called the beginning of the military operations in the Gulf. Judging from the statement by the Slovene government, this was a "specialized" meeting, as delegations consisted of top officials of the two republics' ministries of internal affairs and national defense. Martin Spegelj (defense), Josip Boljkovac (police), and Jovo Perkovic (head of the state security service) from Croatia, and Janez Jansa (defense), Igor Bavcar (police), Miha Brejc (state security from Slovenia).

"On the working session the delegations discussed current defense and security issues concerning both republics, with a special emphasis on the situation in the Gulf, the Soviet Union, and security questions raised in the wake of the SFRY Presidency order to return weapons. Regarding those topics, the delegations reached agreements on mutual cooperation," the public statement noted.

Long-Term Consequences

At the news conference on Thursday afternoon, after the regular session of the Slovene government, Lojze Peterle, president of the Slovene government, revealed a detail from the talks by stating that the delegations also touched upon "technical details of controlling people who present a potential danger for Slovenia."

The government discussed the situation in the Gulf as an additional item on the agenda. Peterle said that the government examined the security situation in the Republic but adopted no particular conclusions as "a special Gulf Commission consisting of the ministers of defense, police, and supplies has been acting for some time within the government. The Commission is headed by Defense Minister Janez Jansa, and all the necessary conclusions were already adopted earlier." Peterle expressed hope that the war is going to end soon, and added that the geopolitical picture of the world is going to be essentially different after it.

"Long-term consequences of this war will show in the increase of terrorist activities throughout the world," Peterle said.

The damage that may result because many Slovene companies have ceased working in the Gulf and the compensations for this damage will be discussed with Ante Markovic, the president of the Yugoslav Government on Friday, Peterle said.

Supply of Oil Not Interrupted

Maks Bastl, Slovene minister of supplies and general economic questions, stated to the journalists that in case the war does not last long, an oil supply crisis should not be felt in the republic, as Slovenia had never had larger reserves of crude oil than at the moment. Bastl said that sufficient amounts of medicines and food are also secured, but he recommended that households supply themselves with basic foods and create smaller food stocks. Regarding oil supplies Slovenia is completely independent and does not have to rely on deliveries from Yugoslavia, Bastl said and added that there is still some dependence as regards supplies of gasoline, which is mainly obtained from oil refineries in Croatia.

"We are looking for the possibilities to process oil in refineries outside Yugoslavia," Bastl said.

According to Bastl, a special meeting will be held with Slovene companies interested in working in Middle East countries after the war, as international institutions have great amounts of money to be used for the restoration of countries devastated by war. Business, of course, always comes first.

Slovene Presidency President Milan Kucan announced that the "Crisis Headquarters" in Slovenia has been in session since the early morning hours.

Split Emerges in Social Democratic Party

LD3001154191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1135 GMT 30 Jan 91

[Text] Belgrade, 30 Jan (TANJUG)—A group of some 10 members of the Yugoslav Social-Democratic Party [JSDS], headed by Dr. Milan Miladinovic, has left the party and is in the process of setting up an initiative committee with the task of founding the Yugoslav Socialist Party [Jugoslovenska Socijalisticka Stranka].

Miladinovic explains his move by the fact that a group of the JSDS Central Committee members, led by Vice President Jovan Cepic and Secretary Petar Radulovic, "acted in contravention of the party's program and statute". He stresses that a decision to suspend Cepic was made arbitrarily.

The future Yugoslav Socialist Party will "work to safeguard, strengthen, and develop the Socialist Federal Republic of Yugoslavia," and "will make efforts to ensure that all problems are resolved in a democratic way and in line with the SFRY Constitution".

Arrest Warrant Issued for Croatian Defense Chief

LD3001164991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1637 GMT 30 Jan 91

[Text] Zagreb, 30 Jan (TANJUG)—A warrant for the arrest of Croatian Defense Minister Martian Spegelj was issued today. Spegelj is to be handed over to an investigating judge of the Zagreb military court. According to a statement issued by the investigating judge, services of the Croatian Internal Affairs Ministry are due to take Spegelj into custody within the next 24 hours.

Croatia Will Oppose Order

AU3101110791 Belgrade Domestic Service in Serbo-Croatian 0900 GMT 31 Jan 91

[Text] Spegelj has not been and will not be taken into custody. This was reported to REUTER by Slaven Letica, adviser to the Croatian president. Slaven Letica stressed that Croatia will oppose the order issued by the Yugoslav People's Army for the detention of Martin Spegelj.

SDP Statement on Warrant

LD3101133191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1013 GMT 31 Jan 91

[Text] Zagreb, 31 Jan (TANJUG)—"We do not accept any use of military police methods in political conflicts and disagreements", the presidium of the Party of Democratic Changes [Stranka Demokratski Promjena—SDP] says in a statement issued today in response to the military court warrant to detain Croatian Defense Minister Martin Spegelj.

A democratic system envisages mechanisms for establishing accountability, the statement stresses. Each government member, including defense minister, is politically responsible to his own government and parliament. If there are genuine political reasons for calling Spegelj to account, the Croatian Assembly will know which mechanisms to apply to deal with the situation.

"There is a great deal of evidence that indicates that the "Spegelj affair" is yet another link in the chain of actions designed to halt democratic transformations underway in both Croatia and Yugoslavia. To this end initial weaknesses of a democracy are being used as a pretext for an ultimate showdown with democracy in general"—the SDP says in conclusion.

Zagreb Court Statement on Detained Croats

LD3001184191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1716 GMT 30 Jan 91

[Text] Zagreb, 30 Jan (TANJUG)—An investigation is under way in the military court in Zagreb against Antun Habijanec, president of the Virovitica municipal executive council; Djuro Decak, HDZ [Croatian Democratic Community] president in Virovitica; and Franjo Kovac and Vladimir Sabaric, both military personnel on active military service, because of the well-founded suspicion that they have committed the criminal act of armed insurrection arising out of Article 124, Paragraph 1 and in connection with Article 138 of the SFRY Criminal Code. They are all being held in custody. This was said in a statement issued today by the investigating judge of the military court in Zagreb.

It transpires from the evidence obtained so far, says the statement, that under the instigation and command of Croatian Defense Minister Martin Spegelj, between September 1990 and the time they were deprived of freedom, the defendants took part in preparing an armed insurrection on the territory of the Republic of Croatia aimed at threatening the state system and the security of the SFRY. Within this context they held several secret meetings with Martin Spegelj and other participants to come to an arrangement and plan actions, and carried out the following specific tasks:

The accused Antun Habijanec and Djuro Decak organized illegal armed formations composed of HDZ members on the territory of the Virovitica municipality and trained them for armed combat against Yugoslav Poeple's Army [JNA] units by arranging secret delivery of "Kalashnikov" automatic rifles and ammunition. They picked reliable HDZ members and distributed to each one rifle and five ammunition magazines. They organized the HDZ members thus armed into groups of three or more. They selected a command structure and commanders for the armed formations. They planned how to cut communication lines in order to force JNA units to stay within their barracks, and allocated specific related tasks. They also prepared a plan for preventing JNA officers from entering barracks and physically liquidating individual officers. They organized a courier service for alerting HDZ formations. They alerted them on the night of 21-22 January 1991, when the extended deadline for the enforcement of the SFRY presidency decree was expiring. On the same night 450 HDZ members surrounded barracks in Virovitica.

The accused Franjo Kovac and Vladimir Sabaric, among other things, took it upon themselves, at the agreed signal and with the assistance of armed HDZ members, to disarm certain units and to deliver captured arms and ammunition to certain HDZ members.

A warrant was issued through the Croatian Internal Affairs Ministry for the arrest of Martin Spegelj within the next 24 hours, demanding that he be handed over to an investigating judge at the Zagreb military court.

The public will be kept informed about the further course and outcome of the investigation, the statement of the investigating judge of the Zagreb military court concludes.

Mesic Views Arms Purchases, Spegelj Remarks

LD3001142391 Ljubljana Radio Slovenia Network in Slovene 2100 GMT 29 Jan 91

[Report on television interview with SFRY Vice President Stipe Mesic by Aleksandar Tijanic; date not given—live or recorded]

[Text] Asked whether he was aware of the arms purchases for the Croatian internal affairs services, Mesic said that it was quite normal for the Croats to buy arms when the Army had seized territorial defense weapons and when the Serbian population in Knin had stolen over 100 rifles from militia stations. As to the veracity behind the statements by Croatian Defense Minister Martin Spegelj and the recent television broadcast, Stipe Mesic said during his interview tonight that, by and large, these had been authentic statements by the Croatian defense minister. The reasoning was quite logical, Mesic went on to say, because Spegeljs's statements were recorded in October last year when the situation in Knin was near the boiling point, and when the Croatian defense minister had embarked on a deliberate anti-information action.

Mesic said that Spegelj did not know that he was being filmed, although as a retired Army general he must have surmised with a high degree of certainty that his misinformation would eventually surface.

It is also interesting to note that Spegelj said tonight that the documentary film shown recently was a complete fabrication. I refute it totally, Spegelj stressed.

Virovitican, Croatian Officials Arrested

LD2501210191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1854 GMT 25 Jan 91

[Text] Virovitica, 25 Jan (TANJUG)—The Presidium of the Virovitica Municipal Assembly, writes tomorrow's VECERNJI LIST, issued a statement today saying that between 0900 and 1000 Antun Habijanac, president of the Municipal Assembly Executive Council, was arrested. According to the statement by the President of the Virovitica Municipal Assembly, Antun Habijanac was arrested in his apartment by two civilians and eight uniformed military personnel.

The Presidium of the Virovitica Municipal Assembly also informs the public that at a still unknown time and in an unknown place Djuro Decak, a member of the Municipal Assembly Executive Council and chairman of the HDZ [Croatian Democratic Community] in Vorovitica, was also arrested.

These events were the reason for the urgent convening of a sesion of the municipal presidium, which issued a protest to the local garrison because of the arrest, and the Presidency of the Republic of Croatia was also informed about this, VECERNJI LIST alleges.

Tudjman, Bulatovic Hold Talks in Zagreb

AU3001150191 Belgrade BORBA in Serbo-Croatian 24 Jan 91 pp 1, 4

[S. Vranic report: "Dialogue Despite Differences"]

[Text] Zagreb—Judging from what could be heard at the news conference yesterday, which lasted 20 minutes, the meeting between Dr. Franjo Tudjman and Momir Bulatovic, and their discussion on a democratic solution to the Yugoslav state crisis moved neither side from its original stand. The differences in views on resolving the crisis are considerable, even fundamental, and the only common point was the mutual satisfaction that the bilateral meeting occurred and that both sides advocate a democratic and peaceful denouement.

Momir Bulatovic stated that estranged stands come as a result of historic, philosophical, and ideological differences - Dr. Tudjman added that they stem from the different positions of Croatia and Montenegro. Nevertheless, both agreed that this does not stand in the way of further bilateral and multilateral (Yugoslav) talks, as it is in everybody's interest that the democratic solution to the Yugoslav crisis not put any peoples or republics in a subordinated position and none of them should have any solutions imposed by force.

When asked what both sides disagreed upon, Bulatovic mentioned the question of the future structure of the country (Croatia favors confederation, Montenegro favors federation) and the question of borders. The Montenegrin stand was that a confederation would not result in a peaceful solution and would open the question of borders, as "the republican borders are administrative." Tudjman repeated the Croatian stand that republics are sovereign states and their borders are not administrative but real state borders, and that Croatia insists upon their inviolability.

One journalist asked Bulatovic whether Montenegro would pose any territorial demands towards Sandzak or Hercegovina in case the majority of republics agreed on a confederation.

We are in favor of a federation, he said, to avoid such questions from arising and we are not in favor of existing borders being touched.

Both presidents expressed the following views on the Yugoslav People's Army [JNA]: Tudjman: We are of the opinion that no army, not even the JNA, could be above society or above any nation. The Army must adapt itself to social changes and must not be used by one political group against the other. Bulatovic: The JNA has legally and constitutionally determined role and should consistently carry it out.

Another question, inspired (as explained) by earlier Bulatovic's statements on the JNA, was whether Montenegro would support an army intervention against the legally elected Croatian government. The Montenegrin president replied (noting that his memory is working just fine and that he recalls his statements) that the JNA would not be what it is if it tried to crush any democratically elected leadership.

Tudjman was asked whether Croatia's striving for the democratic outcome of the crisis masks the intentions of the Croatian leadership to secede from Yugoslavia, but he did not reply.

At the end of the short news conference both presidents were asked whether there are any chances of their distant views becoming closer. They both gave a positive answer, adding that for this reason there should be further dialogue.

Let us finally say that the meeting of the two delegations that consisted of Zarko Domljan, Stipe Mesic, Josip Manolic, and Hrvoje Sarinic from Croatia, and Risto Vukcevic, Svetozar Marovic, and Radoje Kontic from Montenegro, was held behind closed doors.

Tudjman Optimistic on Federal Negotiations

LD3001234191 Belgrade TANJUG in English 2314 GMT 30 Jan 91

[Text] Zagreb, January 30 (TANJUG)—Croatian President Dr. Franjo Tudjman said this evening that the main result of his just concluded visit to Austria was the determination of government and political leaders and businessmen in Vienna to help the republic in democratic settlement of the crisis in Yugoslavia and to encourage its economic advance.

Speaking to journalists at Zagreb airport, Dr. Tudjman confirmed that the Croatian delegation would participate in Belgrade tomorrow in the second round of talks of the highest federal and republican representatives on the future of Yugoslavia.

Earlier today, Dr. Tudjman told newsmen in Vienna that an agreement on Yugoslavia could be achieved within six months. In this context, he said, the main issue is whether the central Yugoslav republic of Bosnia-Hercegovina will be recognized within its present borders, which is what Croatia advocates.

Before World War I, both Croatia and Bosnia-Hercegovina belonged to the Austro-Hungarian empire.

Dr. Tudjman was optimistic about the further course of negotiations on the future of the country. He based this optimism on the agreement reached with the leadership of Serbia to continue these working consultations and on the fact that the advocates of a hegemonistic and unitarian Yugoslavia have not been successful so far in stopping the advance of democracy.

Croatia's Spegelj Greets Tudjman at Airport

LD3001194491 Zagreb Domestic Service in Serbo-Croatian 1900 GMT 30 Jan 91

[Excerpts] A Croatian delegation headed by President Franjo Tudjman returned this evening to Zagreb from its visit to Vienna. SFRY Presidency Vice President Stipe Mesic; Croatian Assembly President Zarko Domljan; Croatian Prime Minister Josip Manolic; Croatian Defense Minister Martin Spegelj; and Croatian Internal Affairs Minister Josip Boljkovac greeted President Tudjman and republic leaders at Zagreb airport. [passage omitted]

On the eve of tomorrow's meeting in Belgrade President Tudjman made it clear that Croatia's first criticism will refer to propaganda activities against the democratic authorities of sovereign Croatia.

Croatian Defense Council Meets, Issues Statement

LD3101013791 Belgrade TANJUG Domestic Service in Serbo-Croatian 2324 GMT 30 Jan 91

[All quotation marks as received]

[Text] Zagreb, 30 Jan (TANJUG)—Tonight Croatian President Franjo Tudjman convened an expanded session of the Council for National Defense and the Protection of Constitutional Order at which, according to a report broadcast by Croatian television, "the continuation of the campaign waged against Croatia was discussed, as well as the demand of the Federal Secretariat for National Defense that Minister of Defense Martin Spegelj be brought before the military prosecutor."

At the session, a report by the delegation of the Republic of Croatia on its visit to Austria was also considered.

"The Council believes that, in spite of the achieved agreements in the SFRY Presidency and the first results of dialogue between the republics, the frenzied campaign against the democratic authorities of the Republic of Croatia and the Croatian people continues to rage in some parts of the Yugoslav media."

At tomorrow's session of the SFRY Presidency, the statement resumes, the Republic of Croatia will demand an end to this campaign as the precondition for the continuation of dialogue in Yugoslavia. It was assessed that the continuation of this campaign was also borne out by the latest demand of the Federal Secretariat for National Defense for bringing Martin Spegelj before the military prosecuting authorities. Political quarters in some parts of the country and individuals from the ranks of active and reserve personnel of the Yugoslav Peoples' Army [JNA], particularly those who are launching the restored Communist Party and advocating the preservation of the socialist movement at all costs, are now attempting to topple the Croatian authorities by different means, primarily by sowing divisions among the Croatian leadership and the public, following the failure of the scenario of those who wanted to provoke a military intervention.

"While sharing the position of the Croatian Government, which assumed responsibility for arming the police corps of the Ministry for Internal Affairs, the Council maintains that there is no basis for Defense Minister Martin Spegelj, a retired colonel general, to be held responsible because he worked together with the minister for internal affairs, on the basis of decisions of the government of the Republic of Croatia, on creating the republic's defense capabilities in a situation marked by increased Knin-based terrorism, threats with interventions by volunteer squads and military interventions, and the totally unconstitutional disarming of the Territorial Defense of the Republic of Croatia.

The authorities of the Republic of Croatia will also take legal action against those, including individuals from the ranks of the JNA, who have acted in a subversive manner on the territory of Croatia. Representatives of the Republic of Croatia will demand that some of the top military officers be held politically responsible; those who are responsible for issuing the instructions, the latest of which is dated 23 January, to Army staff, or who, by their statements, opposed the SFRY Presidency's earlier decisions on democratization and dialogue as they advocated the Army's arbitrary position in political life."

At the end of the statement it is said that the Council for National Defense also dealt with the report on the visit of the delegation of the Republic of Croatia to Austria, and that this visit was assessed as being very beneficial for improving Croatia's political, economic, and cultural links with Austria.

Croat Reservists Given Regular Forces Power

AU3101111591 Belgrade BORBA in Serbo-Croatian 21 Jan 91 p 8

[M. Krmpotic report: "Illegitimate Legitimization of the Constabulary?"]

[Excerpt] Of all the speculation on why the Croatian Ministry of Internal Affairs expanded the powers of the regular police forces to the police's reserve forces, the story closest to the truth is the one that views this matter in the context of political tension in Yugoslavia and the disturbed interethnic relations in Croatia. It is justified to ask the question: Has this, therefore, opened the door to the formation of paramilitary units in the republic, whose disarmament is being demanded in the SFRY Presidency's order? The Croatian government's official stand is well known: There are no paramilitary units in Croatia apart from those in the Knin region.

Because of the stories about the existence of such units in the republic, the Ministry of Internal Affairs of Croatia allowed VJESNIK to publish on Wednesday a facsimile "of the official authorization of the members of the reserve police force," from which it can be seen that the powers of the members of the reserve police force have been made the same as those that the regular police have. The aim of publishing this facsimile was to refute claims about the unlawful acquisition of arms by parties and nationalities in Croatia, above all by the members of the Croatian Democratic Community. The publication of the authorization should have been the "crowning proof" that this involved a strictly-regulated and law-based arming of the reserve section of the Croatian police force that, by the way, has more than 30,000 members, according to unconfirmed reports.

The text on the official authorization of members of the police's reserve force has certainly provoked and will provoke different comments in the public. This is mainly because of the part in which the holder of the authorization is given the powers to "check the identification of a person, detain them, and bring them to the appropriate service, enter someone else's apartment and other premises, and carry out a search without any written warrant...." According to the new Constitution of the Republic of Croatia, passed last December, these powers should not even be given to members of the regular police force, let alone members of the reserve forces. In the Constitution, "the home has been proclaimed inviolable."

Two facts should, however, be borne in mind here. The first is that the militia is still working according to the Law on Internal Affairs of the Republic of Croatia, passed in December 1989 and the 1983 regulations on the way the public security service should act, acts passed by the old authorities and that give an official person powers from the official authorizations. The second is that when it comes to police powers, the section on "personal and political freedom and rights" in the new constitution of Croatia includes the provision that no one can be arrested or detained without a written court order, based on the law. If there is no order, the police are obligated to surrender the person who has been arrested to the court, of course, assuming that there is suspicion that they have committed a serious crime. Moreover, the court has the duty to immediately decide whether the detention was legal. Likewise, only the court can direct with a substantiated written order based on the law that a home or other premises be searched. [passage omitted]

Croatian Security Service Holds Activist

LD3001181991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1653 GMT 30 Jan 91

[Statement by the Federal Secretariat for National Defense Information Service; place and date not given]

[Text] Belgrade, 30 Jan (TANJUG)—Acting in accordance with the decision of the SFRY Presidency concerning the procedure for establishing responsibility for the import of arms and for the forming and arming of illegal armed units to establish cooperation between authorized military services and services of the Croatian republic, the security services of the Yugoslav People's Army [JNA] sent a written request to the Croatian Interior Ministry demanding to interview Ivan Belani, from the village of Suho Polje, the Virovitica municipality. Services of the Croatian Interior Ministry agreed to cooperate and sent two employees of the state security service to bring Ivan Belani for an interview.

In the village of Suho Polje, employees of the state security service were surrounded by four plain-clothes men armed with pistols who searched their belongings and their official vehicle and disarmed them, despite the fact that they identified themselves as employees of the Croatian state security service. A short time later the four armed men were joined by a group of about 20 plain- clothes men also armed with pistols. Then a police patrol from Virovitica arrived on the scene and took the employees of the state security service into custody and handed them over to the Virovitica police station commander Anton Troha.

After the detention of the state security employees Ivan Belani arrived at the station together with one of the HDZ [Croatian Democratic Community] leaders from Virovitica who set conditions for the state security services—the interview with Belani could only be conducted in Bjelovar, on further condition that Belani was to report to the HDZ committee in Virovitica every 30 minutes and with a guarantee from the top services of the Croatian Interior Ministry that Belani would not be detained by the military services. Failing this, they would have the whole of Virovitica up on its feet.

Two cars with five armed HDZ activists followed the state security car with the arrested Belani all the way to Bjelovar. They stopped their car some 200 meters from the police station in Bjelovar and prevented Belani from entering it. They sent an employee of the state security service to the station to lay down conditions for talks. They held the other employee as a hostage.

JNA security personnel refused to accept conditions for talks and demanded from the state security personnel that Belani be handed over to them. The state security personnel failed to hand Belani over, and he, accompanied by HDZ activists, returned to Virovitica.

It was demanded from top officials of the Croatian Internal Affairs Ministry, J. Boljkovac and J. Perkovic, to hand over Belani by 1600 on 30 January. They gave assurances that they would undertake measures within their authority against civilians who disarmed state security service employees and prevented them from carrying out their duties.

Competent personnel from the Croatian Internal Affairs Ministry failed to carry out their task on time.

Kucan Clarifies Statement on Belgrade Talks

AU3001162391 Zagreb VECERNJI LIST in Serbo-Croatian 26 Jan 91 p 6

[V. Zagorac report: "The Change of Borders Only by Agreement"]

[Text] Ljubljana—As the official statement about the Milosevic-Kucan talks arrived in Ljubljana last night, before Kucan returned from Belgrade—more precisely from Zagreb, where he stopped for a brief conversation with Dr. Franjo Tudjman—Kucan repeated to the journalists certain parts of the statement. In his answers to their questions he additionally explained some of the views expressed.

"Regarding the stand on 'acknowledging the Serbian peoples' interest to live in one state,' I must add that we said that the interest of any other peoples, not only Serbian, must also be acknowledged, and that this could only be realized by respecting the equal rights of others. This is certainly a matter for an agreement on equal footing," Kucan said.

Kucan emphasized that there were some differences in the talks and that he repeated the Slovene stand that it is the republics and not the nations who are calling for sovereignty. He drew attention to the problem of internal borders that are in no case administrative but historic and cannot be changed. How the borders will be arranged in the future should be agreed by the republics that are directly involved in accordance with the Helsinki Charter, which states that borders in Europe can only be changed peacefully. This opinion was uttered with regard to the specific position of the Serbian nation, which does not live within the borders of only one republic. This is a circumstance that should be taken into account. The other difference refers to the position of federal institutions, because we believe that they are one of the main generators of the Yugoslav crisis and that they are no longer in line with the Constitution. Nowadays it is not acceptable for anyone to grant, limit, or put conditions, on the right of a group to self determination as this right is above any other, and is only limited by the equal rights of other peoples and republics.

Meeting with Dr. Tudjman

Kucan described yesterday's meeting with Dr. Franjo Tudjman, after his return from Belgrade, as agreed in advance and necessary because of the republics' joint statement and the latest aggravation of the situation in the country.

"We agreed to undertake joint measures to protect mutual interests if the Yugoslav People's Army had tried to apply military force in the two republics, and in such a case we would inform our legislatures. In the talks we assessed that at the moment we have the explanation of the SFRY Presidency, which, after all, is the Commander-in-Chief and head of the Army services. The explanation states that measures will be taken against all unlawful, more precisely illegal, paramilitary armed forces, and against the illegal purchase of weapons. Any other interpretation is the presidency's problem," Kucan said, emphasizing that the Army is not an institution influenced by Milosevic, and if Croatia or Slovenia have problems with it, they will turn to the SFRY Presidency

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Legality of Serbian Finance Law Questioned

AU3001143591 Belgrade BORBA in Serbo-Croatian 18 Jan 91 p 9

[M. Torov, D. Sverko, and C. Milivojevic report: "Legality With a Thin Quorum"]

[Excerpt] Only after the Federal Executive Council revealed that the Law on the Obligations of the Republic in the National Bank of Serbia was published in the secret official gazetteer, was the public informed of Serbia's unconstitutional incursion into the country's monetary system. Many people are therefore now justifiably asking who permitted the republic to act in this way and how!

A look at the minutes and shorthand notes of the session of the responsible Associated Labor Chamber of the Assembly of Serbia on 28 December confirmed for us that two acts were in a package and were discussed under points 51 and 52. These were: the Law on the Obligations of the Republic in the National Bank and the proposed decision on approving loans for the liquidity of banks. Both documents, which bore the stamp "strictly confidential" and "official secret," were distributed to the delegates on the very day of the session. They were handed to them separately in envelopes and the delegates then returned them separately, too.

The fact that despite the confidentiality these documents were not adopted under any secret circumstances is shown by the following facts. The Legislative and Legal Commission of the Assembly of Serbia did not have any comments regarding the aforementioned law on obligations. Even though the chairman put the law up for discussion, no kind of debate was held, all the delegates present were in favor of this document—no one was against it and no one abstained. The aforementioned decision on approving loans for the liquidity of banks was also adopted in the same way, that is to say unanimously, without one single vote against or in abstention.

So, everything was open and legal (apart from the documents themselves). What is not part of the shorthand notes, however, although witnesses can affirm it, is that after half an hour of counting those present, Milos Laban, the chairman of the session of the Associated Labor Chamber, managed with great difficulty to get together a quorum that amounted to 81 delegates. Even though he finally managed this, the delegates, who were obviously exhausted by the previous day's cumbersome agenda, slowly but surely disappeared, moving from the hall to the corridor and the restaurant, which could quite clearly be seen.

In reply to our question of how was it possible to adopt a law of exceptional importance for the republic, and was this at all legal—when tax laws were without a quorum on the same day—we were told that delegates are not recounted at every point on the agenda unless this is expressly demanded by someone, but otherwise it was their right to come and go as they pleased.

It is difficult to say whether this was the reason why it just so happened that all the current deputies who we spoke to and who had previously been delegates to the Associated Labor Chamber were surprised at our question. Even Slobodan Vuckovic (former delegate and current deputy) could say nothing about the law or about the conditions under which it was passed because he was not even at the session. We could discover nothing more from Ilija Rosic (also current deputy and former delegate in the aforementioned responsible chamber) because he had not attended the session either, as he himself said and the shorthand notes confirmed. [passage omitted]

Slovenia To Print Coupons To Replace Dinars

AU3101104291 Belgrade BORBA in Serbo-Croatian 16 Jan 91 p 12

[D.D. report: "Secession From the Dinar"]

[Excerpt] Ljubljana—Confirmation has come from Celje that the former Aerografika firm, now called Cetis, has for some time been making "certificates." This involves coupons that will be printed in the same denominations as the dinars on the Slovene market. The coupons should supposedly be a replacement for dinars until Slovenia decides on its own currency.

As the Cetis director, Drago Vracun announced, the Celje people are not able to print money, but have at their disposal first-class technology so the printed coupons will be of the same quality as paper money. Cetis previously purchased the appropriate colors and chemicals and they recently bought 100 tonnes of special paper for printing coupons. This means that they will be able to print around 100 million coupons in the denominations of 2, 5, 10, 50, 100, 200, 500, and 1,000. As the coupons are printed they will be transported to the National Bank.

If Slovenia decides to print money in Cetis, they will first have to buy special equipment, machines, safes, and depots. This would be exceptionally costly, the Cetis director has mentioned. [passage omitted]

Slovene Presidency Criticizes Defense Paper

LD3001201291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1806 GMT 30 Jan 91

[Text] Ljubljana, 30 Jan (TANJUG)—At today's expanded session the Slovene Presidency was acquainted with the document of the political bureau of the Federal Secretariat for National Defense entitled "Information on the current situation in the world and in our state and the immediate tasks of the Yugoslav People's Army [JNA]."

As emphasized in the statement from the Slovene Presidency session, the document was read out, by order, in the commands and JNA units one day before the transmission of the Federal Secretariat for National Defense's film on events in Croatia.

The Slovene Presidency decided after a discussion to inform the public of the contents of the document.

The statement from the Slovene Presidency session says that the document of "the Political Bureau of the Federal Secretariat for National Defense demonstrates, quite unambiguously, the ambition of the JNA leadership to preserve its role as the political factor and even arbiter of the political life in Yugoslavia and to disagree with the request for the depoliticization of the Army, which Slovene and Croatian services have forwarded on several occasions to the SFRY Presidency as the supreme commander of the Armed Forces. This clearly contradicts public statements by top officials and officers of the Federal Secretariat for National Defense and JNA."

It could be understood from the document, contrary to statements on the consistent observation of the Constitution and law, that the Federal Secretariat for National Defense and the JNA, in fact, behave differently. The document also calls into question—the statement emphasizes—the explanation of the commander of the Fifth Military District on the distribution of Slovene and Croatian soldiers. The Slovene Presidency demands that the SFRY Presidency take a stand on the document and make it public.

Slovene Assembly Demands Kadijevic's Removal

LD3001195291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1917 GMT 30 Jan 91

[Summary] Ljubljana, 30 Jan (TANJUG)—Today's joint session of the Slovene Assembly, which discussed the situation in the Baltics and the military and political situation in Yugoslavia, endorsed several conclusions, among them, the following:

"The Slovene Assembly concluded that because Yugoslavia was not threatened, SFRY Presidency President Borisav Jovic overstepped his powers when, by outvoting others, he imposed the decree on the repossesison of arms. Federal Secretary for National Defense, Col. General [as received] Veljko Kadijevic even overstepped orders from the SFRY Presidency decree by heightening the combat-readiness of army units without any SFRY Presidency order for this. Hence, the Slovene Assembly demands that the SFRY Presidency set in motion the procedure for establishing his responsibility. It also calls for the federal secretary for national defense to be immediately dismissed from his post."

Pelivan Elected Bosnia-Hercegovina Prime Minister

LD3001233491 Belgrade TANJUG Domestic Service in Serbo-Croatian 2053 GMT 30 Jan 91

[Text] Sarajevo, 30 Jan (TANJUG)—This evening the Assembly of Bosnia-Hercegovina elected Jure Pelivan—economist, banker, and member of HDZ [Croatian Democratic Community]—president of the republican government. At the same time a 21-member government was elected at his proposal. Bosnia-Hercegovina Presidency President Alija Izetbegovic then briefed deputies on the stands that the delegation of Bosnia-Hercegovina and himself are representing at talks with the delegations of other republics with regard to Yugoslavia's future order.

When, on behalf of delegates of the Serbian Democratic Party of Bosanska Krajina, delegate Radoslva Brdjanin raised the issue of the responsibility of Stjepan Kljujic, HDZ leader here, for offering aid to Croatia during the implementation of the SFRY Preidency decree on disarmament, HDZ delegates walked out of the session.

Separate sessions of the Assembly chambers have also been planned for this third session of the multiparty assembly of Bosnia-Hercegovina, which will be held tomorrow.

Vice-presidents of the government of Bosnia-Hercegovina are: Muhamed Cengic, Miodrag Simovic, and Rusmir Mahmutcehajic; Jerko Doko is minister of national defense; Alija Delimustafic of internal affairs; Ranko Nikolic—justice and administration; Momcilo Pejic—finance; Resad Bektic—economy; Milivoje Nadezhdin—agriculture; Tomislav Krsticevic—transport and communications; Munir Jahic—urban planning and ecology; Hari Silajdzic—international cooperation; Ismet Lipa—health, labor, and social policy; Nihad Hasic—education; David Balaban—veterans' questions; and Velibor Ostojic—information.

Ibrahim Colakhodzic is the new director of the Institute for Social Planning. Ministers without portfolio are Ismet Kasumagic, Miro Lasic, Vitomir Lukic, and Branko Djeric.

Comments on Republican Problems

AU3101135991 Zagreb VECERNJI LIST in Serbo-Croatian 21 Jan 91 p 5

[Interview with Jure Pelivan, prime minister designate of Bosnia- Hercegovina, by A. Kaurin; place and date not given: "There Are No Disagreements Over the Composition of the Government"]

[Excerpt] Sarajevo—Despite announcements that a new government would be set up by 20 January, this was not done in Bosnia-Hercegovina. Bosnia-Hercegovina Presidency President Alija Izetbegovic said that the deadline had been extended by a week not because of disagreements between the three leading national parties in Bosnia-Hercegovina but because of disagreements inside the parties. As Izetbegovic claimed, it is obvious that the parties want to put forward the best cadres and therefore there is a delay. It was first of all difficult to even find a republican prime minister because in such a serious economic crisis, hardly anyone would accept such responsible duties. Nevertheless, Jure Pelivan has done this and we spoke to him prior to the republican Assembly session that was scheduled for this week.

[Kaurin] The public is awaiting the new republican government with impatience. When will we know the names of the ministers and the distribution of departments?

[Pelivan] The formation of the government is at its final stage. This week, before the republican Assembly session, I will have talks with representatives of all the parties represented in the Assembly. The newly elected Assembly will be able to express their confidence in and endorse the new government program. There are no problems whatsoever connected with this, as part of the media have claimed. All preparations for setting up the government are going well. Party talks and agreements have been affirmed by proposals from certain parties that they put forward candidates for one of the departments from the other parties.

[Kaurin] The outbreak of war in the Gulf will certainly have quite an effect on the economy of Bosnia-Hercegovina, which has already suffered huge losses. Warehouses are full of goods that should have been delivered to Kuwait and Iraq a long time ago.

[Pelivan] Bosnia-Hercegovina is now owed $700 million by Iraq from business that has been concluded and payments due. We estimate, however, that indirect damage will cost at least this amount. Bosnia-Hercegovina has, for a certain period of time, definitely lost a good market that it had been counting on.

[Kaurin] What kind of program will you be presenting to the new Assembly and what are the first steps of the new Bosnia-Hercegovina government?

[Pelivan] The first steps of the new government will be directed toward consolidating the economy, which is in the most difficult position, toward stopping a further fall in production. We must make production effective and find money for it. In this sense, we must also improve the welfare program. The previous program encompassed various forms of social aid for more than 500,000 citizens. There are 280,000 unemployed people in Bosnia-Hercegovina and workers are being laid off every day. Our problems include the ferrous metal industry, the Zenica steelworks, and hunger in Vares, where the ferrous metal industry has taken its toll. Pensioners are in a very serious position. Even though it is the 21st day of the month, all pensioners in Bosnia-Hercegovina have not received their pensions. It is very serious.

[Kaurin] Does the SFRY Presidency order on the disarmament of paramilitary formations also relate to Bosnia-Hercegovina?

[Pelivan] Although we have so far received contradictory reports on arms acquisition, as far as I know (and I have checked this) there are no illegal armed formations in Bosnia-Hercegovina. What does exist is in the framework of the Territorial Defense that has been envisaged by our system.

[Kaurin] Some parties in Bosnia-Hercegovina have recently expressed the official stand that Bosnia-Hercegovina should also print money or make an incursion into Yugoslavia's monetary system in the same way as Serbia has done.

[Pelivan] We in Bosnia-Hercegovina will refrain from such measures, as far as this is possible. There are, however, even limits to waiting. I am personally opposed to individual federal units resorting to printing their own national currency. They are thus depriving others of income. If such a situation persists and if Bosnia-Hercegovina properly meets all its obligations but is unable to get money from the federal budget that legitimately belongs to it, we must look for other sources. [passage omitted]

Bosnian Joint Assembly Session Postponed

LD3101142191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1020 GMT 31 Jan 91

[Text] Sarajevo, 31 Jan (TANJUG)—The session of the three chambers of the Bosnia-Hercegovina Assembly scheduled for 1000 this morning was postponed because the club of the deputies representing the Croat people have decided to explain—at an extraordinary plenary session—the reason for their protest and walkout last night following an initiative by the group of deputies of the Serbian Democratic Party from the Banjaluka region. The walkout was prompted by a recent statement by HDZ [Croatian Democratic Community] President Stjepan Kljuic, to the effect that the Bosnia-Hercegovina Croats would run to help their Croat brothers if the latter were threatened.

In the meantime, meetings are underway of the clubs of deputies.

The Assembly chambers are also expected to adopt their books of procedure and a number of amendments to the republic's laws.

DSK Leader on Collection of Weapons in Kosovo

AU3101100591 Skopje FLAKA E VELLAZERIMIT in Albanian 27 Jan 91 p 4

[Emin Azemi and Blerim Reka report: Kosovo in a Feverish Bal(kan)tic Grip"]

[Excerpt] Pristina 26 Jan—Events in Belgrade-Zagreb relations are being experienced and viewed in different ways in Kosovo. The SFRY Presidency's instruction on disarmament is not being enforced with the same pomposity among Albanian families as in Croatia. Kosovo has no "Sabor" [Croatian Assembly] or "Tudjman." Kosovo does not even have the rights of Knin. On the contrary, there are so many paradoxes and so much state anarchy in the reality of Kosovo that people ask, "Do the Albanians live in the same state as the Serbs, Croats, and even the Slovenes, or not?" In Kosovo, the few arms that the Albanians possess with licenses are being taken away, while the Serbs are being given them without licenses. In Croatia, threats are issued for the disarmament of formations of reserve militiamen, while in Kosovo it is precisely the "reservists" from Serbia who are maltreating, pillaging, and insulting the Albanians!

Serbian Rule Exploits the Signature of the Yugoslav People's Army To Terrorize the Albanians

Recent events in Yugoslavia and Kosovo were also a topic of discussion at the latest Kosovo Democratic Alliance [DSK] news conference. Secretary Jusuf Buxhovi, said that now, with the Gulf war and the onslaught of conservative-militarist forces who have put their fingers in the pie from the Baltics to the Balkans at their peak, toppling and threatening new democracies according to the methods tried and tested in Kosovo, we welcome any initiative on the part of anybody anywhere that aims to preserve democracy or reestablish the overthrown democracies. We refer specifically to Senator Robert Dole's most recent resolution, which is a resolution for "the preservation of democracy from the Baltics to the Balkans" and was presented to the U.S. Senate and Congress two or three days ago, and the resolution of several deputies of the European Democratic Union about Kosovo, which was adopted by the Austrian Federal Assembly three or four days ago.

Talking about these two important resolutions, Jusuf Buxhovi put them in the context of the danger posed by conservative-militarist dictatorships, which, he said, wish to exploit and are exploiting the Gulf crisis to achieve their own goals and to turn back the wheel of history and progress. Even though the world is preoccupied with the Gulf, Buxhovi emphasized it is nevertheless showing interest in the situation in certain Eastern and Central European states. The legislatures of Europe and America are not looking at the imposition of dictatorships in these states with indifference. They will continue to support the will and desire of each people for democracy, equality, independence, and a free life.

Commenting on the SFRY Presidency's instruction on disarmament, Buxhovi recalled once again the DSK's letter to the SFRY Presidency and the Federal Executive Council expressing concern lest the campaign to gather weapons should acquire the characteristics of a terrible campaign against the Albanians, like that of 1956. Unfortunately, Buxhovi said, it is evident from the most recent reports from the field that this action, if it develops at its present rate, will be transformed into a major campaign against the Albanians. Reports from the field, he said, speak of raids against Albanians and their maltreatment. Buxhovi considered the deepening of the Kosovo crisis to be the "contribution" of the Army, which is involved in the disarmament campaign. Serbian rule in Kosovo is exploiting the signature of the Yugoslav People's Army to terrorize the Albanians on the pretext of collecting weapons. [passage omitted]

Albanian's Funeral Becomes Political Meeting

AU3101102291 Belgrade BORBA in Serbo-Croatian 21 Jan 91 p 6

[M. A. report: "Funeral—Political Meeting"]

[Text] Glogovac—The funeral of the soldier, Lulzim Rexhepi—who, according to an official statement by the Fifth Military District Command, committed suicide—which was held on Saturday in the Glogovac village of Komorane was not attended by a delegation from the Yugoslav People's Army [JNA] at the family's request;

however, it was attended by several tens of thousands of Albanians from all over Kosovo and Metohija.

Unlike usual Albanian funerals, Lulzim Rexhepi's funeral turned into its own kind of political meeting for which a stage was specially built and amplifiers were set up. The main speaker was Zekeria Cana, vice president of the Committee for the Protection of Human Rights and Freedoms, who only the day before had called on Albanians not to send their sons to the JNA. Over Lulzim Rexhepi's coffin, which was covered with the Albanian flag, Cana expressed doubt that Rexhepi had committed suicide, saying that this is "incompatible with the tradition of the Albanian people and the Koran." He told those who had gathered that "Drenica had acquired one more hero like Azem Bejta, Shaban Polluzha," and the other Ballist leaders.

Apart from Cana, who succcessfully colored his speech to create an anti-Army feeling among the crowd, several more citizens spoke and all of them were greeted with cries of "long live the Kosovo republic" and other slogans. The meeting proceeded without any other excesses.

Macedonian Assembly Elects Gligorov President

LD2701115991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1126 GMT 27 Jan 91

[Text] Skopje, 27 Jan (TANJUG)—At a session in Skopje today, delegates of the multiparty assembly of the Socialist Republic of Macedonia elected Kiro Gkigorov president of the Socialist Republic of Macedonia.

There were 119 of the 120 delegates present, and 114 voted for Kiro Gligorov with five invalid ballot papers.

Montenegrin-Slovene Talks Deemed 'Encouraging'

AU3001180391 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 30 Jan 91

[Dragoslav Kosaric report talks between Slovene and Montenegrin representatives on the country's future structure in Ljubljana; date not given]

[Text] [Kosaric] Montenegrin President Momir Bulatovic reiterated at a news conference Montenegro's already well-known stand and stated that today's talks in Ljubljana were encouraging and conducted in a tolerant atmosphere, mentioning that differences exist regarding the future of Yugoslavia, its aims, and the methods of achieving them. He stressed that the degree of difference has been reduced to a different understanding and interpretation of reality.

In his presentation of today's talks, Milan Kucan said that two well-known options for the country's future structure are prevalent in Yugoslavia. According to Kucan, differences concern the initiatives [subjekt] of talks and the question of delineating internal borders.

The joint stand of both delegations is that a response is necessary in a democratic atmosphere and that there should be no use of force. Talks must be based on the right of every people and republic to self-determination. The different economic and historical conditions in which the individual republics live should also be respected. It was the joint stand of both delegations that bilateral relations should be improved and that this should be discussed more specifically at the meeting between the governments of the two republics to be held soon.

In reply to a question from one journalist on who should initiate future talks—the people or the republic—Montenegrin President Momir Bulatovic said that if some kind of minimum agreement were reached whereby Yugoslavia remained a state, no matter what kind, the initiators of the agreement in this case would be the republics. If tendencies and aspirations were different, then the initiators of the agreement must be the republics and the Yugoslav peoples, Bulatovic warned.

Regarding the Yugoslav People's Army, Bulatovic said that it cannot be a political subject but that it must perform its constitutionally defined functions and the SFRY Presidency must be its commander.